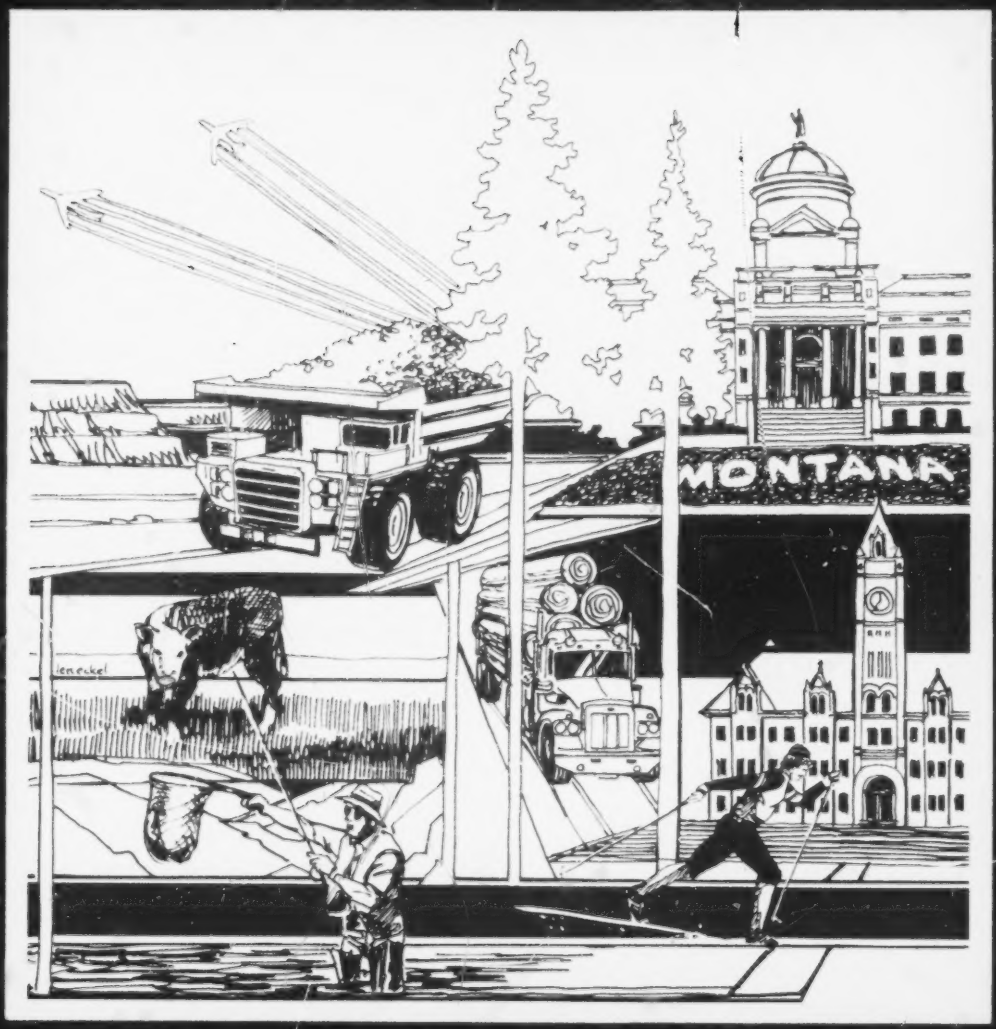

Montana Financial Report 1980 - 1981

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ABOUT THE COVER

Montana is the fourth largest state encompassing 147,138 square miles in area. The Rocky Mountains extend north and south through the western part of the State. The eastern two-thirds of Montana consist of plains broken by occasional mountain ranges.

Montana's industries are centered around agriculture and natural resources. Wheat and cattle are the major agricultural commodities with timber, oil, coal and copper the leading natural resources.

Tourism and recreation are two growing industries in the State. Four and one-half million people tour Montana annually, enjoying its numerous parks, streams, State and National monuments.

Montana has nine colleges, three junior colleges, and five vocational-technical schools. These institutions provide jobs for Montana citizens and also produce the trained professionals needed to maintain the other industries located in the State.

Montana is sparsely populated with a population density of 5.4 persons per square mile in 1980. This compares with 64.0 persons per square mile for the United States in the same year. Montana ranked 43rd in population in 1980.

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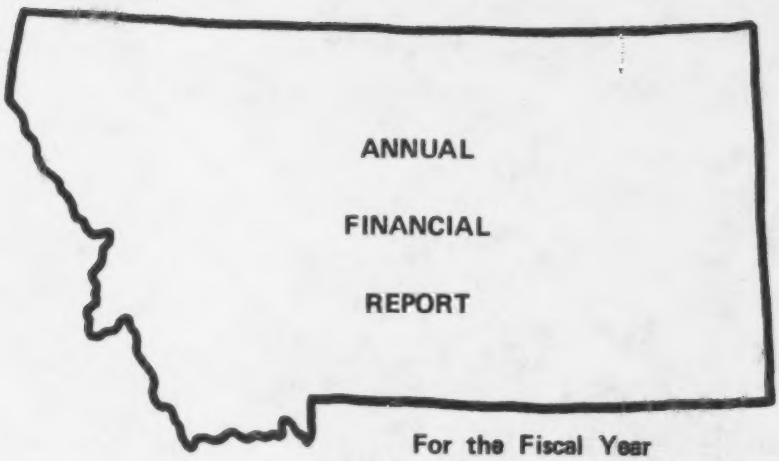
STATE OF MONTANA



ANNUAL FINANCIAL REPORT

For the Fiscal Year
July 1, 1980 – June 30, 1981

Morris L. Brusett, C.P.A.
Director
Department of Administration

Prepared by:
Accounting Division
Terry Cannon, C.P.A.
Administrator

TABLE OF CONTENTS

Introduction

Title Page	
Table of Contents	
Letter of Transmittal	iii
Accounting System & Budgetary Control	iii
Reporting Entity	iv
General Governmental Functions	iv
Debt Administration	v
Cash Management	vi
Capital Projects	vi
Acknowledgments	vii
Organizational Chart	viii

Financial Section

General Purpose Financial Statements (GPFS)	2
Notes to Financial Statements	4
Supplemental Financial Data:	15
Fund-Summary Schedules	16
Treasurer's Cash Accountability Account	45

Statistical Section 46

DEPARTMENT OF ADMINISTRATION
DIRECTOR'S OFFICE

TED SCHWINDEN, GOVERNOR — MITCHELL BUILDING

STATE OF MONTANA

(406) 449-2032 — HELENA, MONTANA 59620

October 13, 1981

THE HONORABLE TED SCHWINDEN
GOVERNOR OF THE STATE OF MONTANA

DEAR GOVERNOR SCHWINDEN:

In accordance with Section 17-2-110, Montana Codes Annotated, I hereby transmit the Annual Financial Report of the State of Montana, as of June 30, 1981, and for the fiscal year then ended. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Department of Administration. We believe that the data as presented, is accurate in all material aspects, and fairly states the financial position and results of operations of the State of Montana as measured by the financial activity of its various funds. New and stringent standards of governmental reporting have been established by the National Council on Governmental Accounting (NCGA), the American Institute of Certified Public Accountants (AICPA), and the Municipal Finance Officers Association (MFOA) and where the following financial information is not in compliance with generally accepted accounting principles (GAAP), the differences have been noted. This ensuing fiscal year, we will be addressing the needed changes to report in complete conformity with GAAP. While the economic outlook for the national economy remains uncertain, I am pleased to acknowledge that the financial condition of our state, as evidenced by the body of this report, is strong.

Accounting System/Budgetary Control

Governmental accounting systems exist for the purpose of providing complete and accurate financial information to those responsible for and concerned with governmental operations. Montana's Statewide Budgeting & Accounting System (SBAS) is a centrally maintained fully computerized, double-entry accounting system. SBAS records are computer edited. Montana utilizes a fund basis with 15 separate and distinct legal funds, six of which are the CUBA fund structure utilized by the University System.

The Legislative Auditor, who is appointed by and reports to the Legislative Audit Committee, does not currently perform an opinion audit for the State. In compliance with federal revenue sharing requirements, he audits every state agency at least once every two years and centrally maintained operations annually. These audits are performed in accordance with generally accepted auditing standards.

Budgetary control is imposed via legislative and administrative appropriations. SBAS is designed to safeguard the states assets and prevent spending in excess of legislative and administrative authority and/or available cash.

Reporting Entity

The accompanying financial statements include all funds, account groups, boards, commissions, agencies, colleges and universities that are controlled by the state. The bonding activity of the Board of Housing, which has a legal existence independent and separate from the state, is maintained outside of the state treasury.

The VoTech's appropriated expenditures are shown within the Office of Superintendent of Public Instruction on SBAS. Their operations are maintained within the University Funds on SBAS but are excluded on these financial statements. The Legislature has maintained an attitude that these centers are not state agencies.

The University Units are reported as discrete entities within their CUBA fund structure.

Separate Montana University Units, VoTech Units and the Montana Board of Public Housing audited financial statements may be obtained from their respective administrative offices.

General Governmental Functions

Revenues for general government functions totaled $1,206,994,000 in fiscal year 1981, an increase of 11% over FY 1980. Taxes and intergovernmental revenue represented 35 and 31 percent, respectively, as compared to 37 and 33% for FY 1980. Amount of revenue and increases or decreases are shown below.

Revenue Source	Amount (1000's)	% of Total	Increase/Decrease From 1980(1000's)
Taxes	$ 426,371	35.32	$ 23,370
Licenses & permits	39,238	3.25	5,753
Intergovernmental	376,359	31.18	14,295
Charges for Services	69,856	5.79	8,300
Fines and forfeits	2,866	0.24	483
Miscellaneous	292,304	24.22	65,339
Totals	$1,206,994	100.00%	$117,540

Expenditures for general governmental purposes totaled $1,132,331,000, an increase of 8.5% over 1980. Expenditures for major functions of the State are shown in the following table:

Function	Amount (1000's)	% of Total	Increase/Decrease From 1980(1000's)
Current:			
General Government	$ 256,966	22.69	$26,551
Public Safety	47,587	4.20	1,921
Transportation	198,889	17.57	(1,127)
Health & Social Serv.	219,250	19.36	30,358
Education	335,451	29.63	29,054
Resources Development & Recreation	41,773	3.69	1,575
Capital Projects	25,400	2.24	368
Debt Service	7,015	0.62	259
Total	$1,132,331	100.00%	$88,959

Debt Administration

Montana has never defaulted in the punctual payment of its indebtedness. At present, state debt may be authorized either by a two-thirds vote of the members of each house of the Legislature or by referendum. There is no constitutional or statutory limit on the power to issue obligations or incur indebtedness, other than a proviso that no debt may be created to cover deficits incurred because appropriations exceeded anticipated revenue.

Montana continues to receive excellent bond ratings from both Moody's Investors Service (AA1) and Standard & Poor's Corporation (Aa), reflecting our record of solid financial management. No general obligation bonds were issued during this fiscal year. Long-term debt declined from $42,079,393 at June 30, 1980, to $39,917,875 at June 30, 1981. The following table presents general obligation bonds issued during the past five fiscal years.

Dates of Issue	Amount (1000's)	Average Interest Rate
October 1976	$ 7,400	5.5%
October 1980	19,130	7.5%

The ratio of net general obligation long-term debt to assessed valuation, and the amount of net debt per capita are:

	Amount (in 1000's)	Ratio of Debt to Assessed Value	Debt per Capita
Net General Obligation Long-Term Debt	$39,918	*0.26%	$50.74

Tax and Revenue Anticipation Notes in the amount of $45,000,000 were issued in September 1980 and retired in June 1981.

*Figure utilized for assessed value is 1980's.

Cash Management

Montana utilizes a central investing program. The Treasury Division of the Department of Administration is the central bank for the state. Unless otherwise provided by law, treasury cash is pooled regardless of the fund from which it is deposited. All monies available for investing are managed and invested by the Board of Investments. The Board annually publishes an audited report of all its investment activity. This report can be referenced should the reader desire more in-depth portfolio information.

CAPITAL PROJECTS

Capital projects in the process of completion have these remaining authorized balances at June 30, 1981.

Capital Projects Within:	Remaining Authorized Balance*
Universities	$14,600,000
Institutions	2,800,000
Other Agencies	10,000,000
Total	$27,400,000

The 47th Legislature appropriated the following prospective capital projects for the 1981-1983 Biennium:

Funded With Current Revenues

Capital Projects Within:	Authorized Amount
Universities	$ 6,057,880
Institutions	3,223,495
Other Agencies	9,954,400
Total	$19,235,775

To Be Funded With Bonded Debt

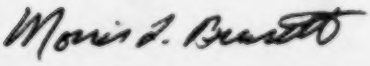
Capital Projects Within:	Authorized Amount (Maximum)
Universities	$13,288,000
Institutions	4,476,000
Dept. of Admin. (Renovate State Capitol Building)	5,000,000
OSPI (Butte VoTech Center)	3,769,000
Board of Education (gym & cottage-School for the Deaf & Blind)	5,012,000
Dept. of Labor & Industry	
Worker's Comp Building	4,000,000
Job Service Buildings	1,000,000
Total	$36,550,000

* figures rounded

ACKNOWLEDGEMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Accounting Division. I should like to express my appreciation to all members of the Accounting Division who assisted and contributed to its preparation. I should also like to thank the Legislature and the Executive agencies for their interest and support in planning and conducting the financial operations of Montana in a professionally responsible and progressive manner.

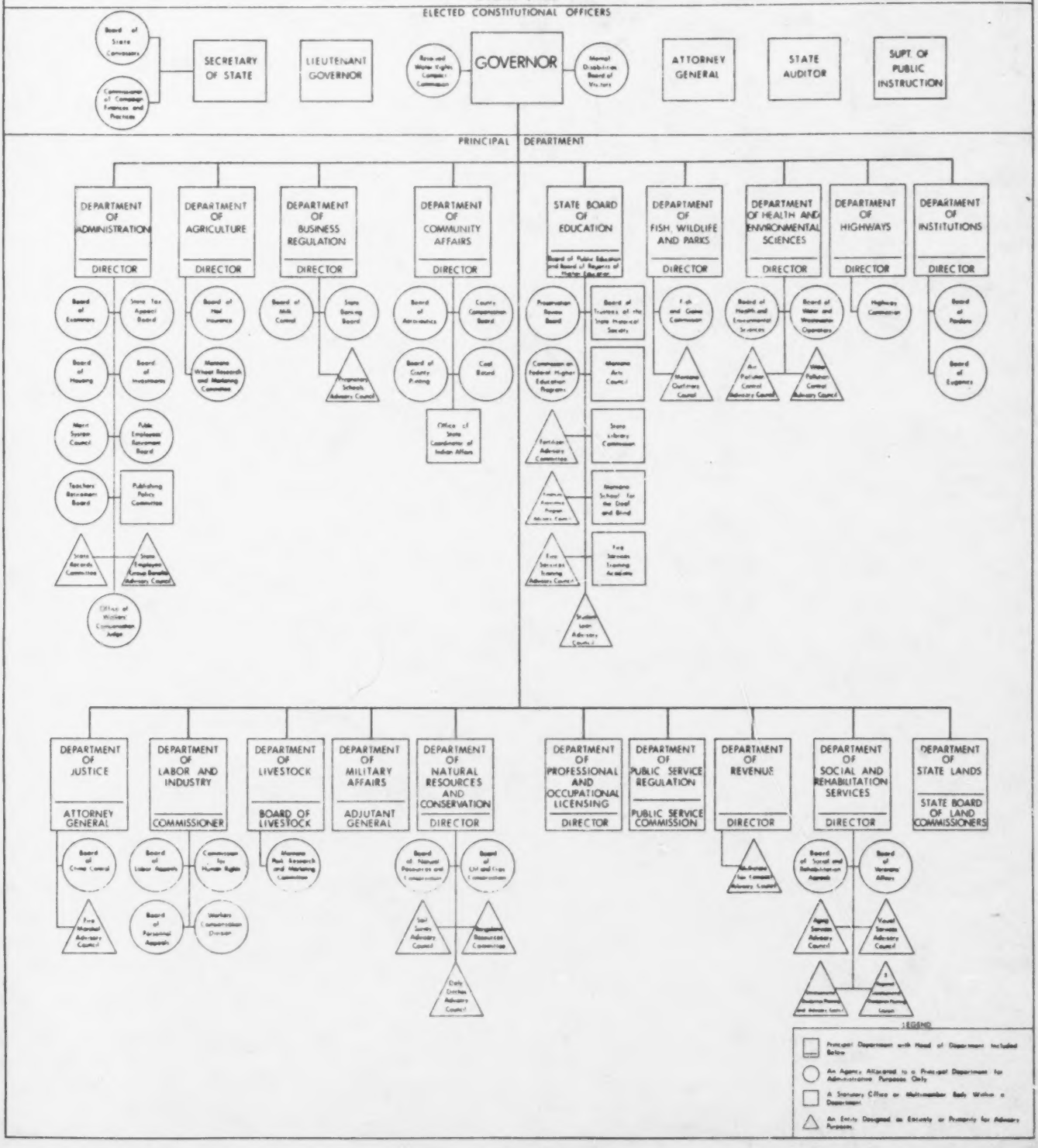
Respectively submitted,



Morris L. Brusett, CPA
Director, Department of Administration

STATE OF MONTANA
ORGANIZATION OF THE EXECUTIVE BRANCH

JANUARY 1, 1980


ELECTED CONSTITUTIONAL OFFICERS
Board of State Canvassers
Commissioner of Campaign Finances and Practices
SECRETARY OF STATE
LIEUTENANT GOVERNOR
Reserved Water Rights Compact Commission
GOVERNOR
Mental Disabilities Board of Visitors
ATTORNEY GENERAL
STATE AUDITOR
SUPT. OF PUBLIC INSTRUCTION
PRINCIPAL DEPARTMENT
DEPARTMENT OF ADMINISTRATION
DIRECTOR
Board of Examiners
State Tax Appeal Board
Board of Housing
Board of Investments
Merit System Council
Public Employees Retirement Board
Teachers Retirement Board
Publishing Policy Committee
State Records Committee
State Employees Group Benefits Advisory Council
Office of Workers' Compensation Judge
DEPARTMENT OF AGRICULTURE
DIRECTOR
Board of Hail Insurance
Montana Wheat Research and Marketing Committee
DEPARTMENT OF BUSINESS REGULATION
DIRECTOR
Board of Milk Control
State Banking Board
Proprietary Schools Advisory Council
DEPARTMENT OF COMMUNITY AFFAIRS
DIRECTOR
Board of Aeronautics
County Compensation Board
Board of County Printing
Coal Board
Office of State Coordinator of Indian Affairs
STATE BOARD OF EDUCATION
Board of Public Education and Board of Regents of Higher Education
Preservation Review Board
Board of Trustees of the State Historical Society
Commission on Federal Higher Education Programs
Montana Arts Council
Textbook Advisory Committee
State Library Commission
Textbook Purchasing Program Advisory Team
Montana School for the Deaf and Blind
Fire Services Training Advisory Council
Fire Services Training Academy
Student Loan Advisory Council
DEPARTMENT OF FISH, WILDLIFE AND PARKS
DIRECTOR
Fish and Game Commission
Montana Outfitters Council
DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES
DIRECTOR
Board of Health and Environmental Sciences
Air Pollution Control Advisory Council
Board of Water and Wastewater Operators
Water Pollution Control Advisory Council
DEPARTMENT OF HIGHWAYS
DIRECTOR
Highway Commission
DEPARTMENT OF INSTITUTIONS
DIRECTOR
Board of Pardons
Board of Eugenics
DEPARTMENT OF JUSTICE
ATTORNEY GENERAL
Board of Crime Control
Fire Marshal Advisory Council
DEPARTMENT OF LABOR AND INDUSTRY
COMMISSIONER
Board of Labor Appeals
Commission for Human Rights
Board of Personnel Appeals
Workers' Compensation Division
DEPARTMENT OF LIVESTOCK
BOARD OF LIVESTOCK
Montana Pest Research and Marketing Committee
DEPARTMENT OF MILITARY AFFAIRS
ADJUTANT GENERAL
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
DIRECTOR
Board of Natural Resources and Conservation
Board of Oil and Gas Conservation
Coal Severance Tax Advisory Council
Energy Planning and Resource Committee
Public Facilities Advisory Council
DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL LICENSING
DIRECTOR
DEPARTMENT OF PUBLIC SERVICE REGULATION
PUBLIC SERVICE COMMISSION
DEPARTMENT OF REVENUE
DIRECTOR
Multistate Tax Commission Advisory Council
DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
DIRECTOR
Board of Social and Rehabilitation Appeals
Board of Veterans Affairs
Aging Services Advisory Council
Visual Services Advisory Council
Developmental Disabilities Planning and Advisory Council
Montana Council on Developmental Disabilities Planning and Advisory Council
DEPARTMENT OF STATE LANDS
STATE BOARD OF LAND COMMISSIONERS
LEGEND
Principal Department with Head of Department Included Below
An Agency Allocated to a Principal Department for Administrative Purposes Only
A Statutory Office or Multimember Body Within a Department
An Entity Designed as Entirely or Primarily for Advisory Purposes

FINANCIAL SECTION

The General Purpose Financial Statements (GPFS) show the fund groups in consolidated form. The consolidated financial statements are presented in three parts:

*BALANCE SHEET

This statement displays the total amount of the State's assets, liabilities and the resultant fund balance as of June 30, 1981. In reviewing this statement, bear in mind that government is not especially concerned with attaining a situation where there is a healthy difference between assets and liabilities. It is sufficient, and often desirable, for government to operate closely within available revenue generated during a year. State assets and liabilities tend to be comparatively insignificant and of a static nature.

*OPERATIONS

As a general rule, it is not meaningful to express the outcome of governmental operations in terms of a profit or loss. Government's effectiveness is indeed measured by far more sophisticated devices. There is a need, however, for a presentation which concerns itself with a magnitude of governmental operations. This is the objective of the Statement of Operations. In most cases, you will find that receipts approximate disbursements. Generally speaking, this condition is desirable. In some cases, disbursements exceed receipts. This is permissible as long as the difference was provided either by an approved loan or a surplus carryover.

*STATEMENT OF CHANGES IN FUND BALANCE

Again, government is not necessarily concerned with the size of its equity, expressed in terms of a fund's balance, as long as a condition of solvency exists. As a hedge against financial uncertainties, it is desirable to operate with a reasonable fund balance from year to year to assure an uninterrupted flow of crucial governmental operations.

FINANCIAL STATEMENTS BY FUND GROUP AS OF JUNE 30, 1981 FOR THE 1980-81 F.Y.	General Fund	Earmarked Revenue Fund	Sinking Fund	Federal and Private Revenue Fund
	01100	02000	03000	04000
BALANCE SHEET				
ASSETS:				
Cash and Cash Equivalents	$ 72,043,091	$ 88,097,489	$ 4,415,809	$ 20,576,089
Receivables	10,445,272	16,976,057	2,260	29,612,578
Inter-Entity Loans Receivable	1,341,970	18,849,695		553,277
Investments		12,692,588	3,442,843	428,328
Advances	203,347	65,315		2,679,163
Other Assets	1,388,886	9,919,440		17,666
TOTAL ASSETS	$ 85,422,566	$146,600,584	$ 7,860,912	$ 53,867,101
LIABILITIES:				
Accrued Liabilities	$ 17,345,971	$ 20,639,766	$ 72,138	$ 23,986,558
Inter-Entity Loans Payable		1,291,970		18,242,501
Funds Held in Trust	7,075	300		
Deferred Accounts Receivable				
Other Liabilities	6,754,464	793,923		3,660,253
TOTAL LIABILITIES	$ 24,107,510	$ 22,725,959	$ 72,138	$ 45,889,312
FUND BALANCE	$ 61,315,056	$123,874,625	$ 7,788,774	$ 7,977,789
TOTAL LIABILITIES & FUND BALANCE	$ 85,422,566	$146,600,584	$ 7,860,912	$ 53,867,101
STATEMENT OF OPERATIONS				
RECEIPTS:				
Revenue	$255,693,332	$202,054,130	$ 27,385,637	$196,842,776
Income	26,833,416	59,264,562	4,155,600	7,594,777
TOTAL RECEIPTS	$282,526,748	$261,318,692	$ 31,541,237	$204,437,553
DISBURSEMENTS:				
Expenditures	$213,189,131	$219,928,224	$ 3,973,084	$196,836,895
Withdrawals	51,362,438	13,839,481	28,584,536	2,687,673
TOTAL DISBURSEMENTS	$264,551,569	$233,767,705	$ 32,557,620	$199,524,568
PRIOR YEAR ADJUSTMENTS:				
Revenue-Income	$ (330,736)	(1,721,963)	$ 2,721	$ (7,263,800)
Expenditure-Withdrawals	(212,736)	(4,260,311)		(2,268,464)
TOTAL ADJUSTMENTS	$ (118,000)	$ 2,538,348	$ 2,721	$ (4,995,336)
NET OPERATIONS	$ 17,857,179	$ 30,089,335	$ (1,013,662)	$ (82,351)
STATEMENT OF CHANGES IN FUND BALANCE				
FUND BALANCE: July 1, 1980	$ 42,218,231	$ 97,784,717	$ 8,802,436	$ 6,779,893
Net Operations	17,857,179	30,089,335	(1,013,662)	(82,351)
Adjustments	1,239,646	(3,999,427)		1,280,247
FUND BALANCE: June 30, 1981	$ 61,315,056 [1]	$123,874,625	$ 7,788,774	$ 7,977,789

[1] The unrestricted fund balance is $59,456,605 since $1,858,451 is reserved for continuing appropriations.

Notes to financial statements are an integral part of this statement.

Agency Fund	University Current Funds	University Student Loan Funds	University Endowment Funds	University Plant Funds
09000	30000	40000	50000	70000
$ 31,961,399	$ 9,290,992	$ 276,782	$ 22,354	$ 2,664,231
15,382,860	5,743,489	13,270,442	21,770	440,236
237,000	3,640,858	40,109		973,500
607,428,213	6,744,423	680,655	5,302,817	8,052,617
1,374,459	367,986			397,531
12,606,891	3,502,194		953,856	204,120,865
$668,990,822	$ 29,289,942	$ 14,267,988	$ 6,300,797	$216,648,980
$ 4,010,913	$ 16,728,922	$ 88,045		$ 641,065
	4,253,858	40,109	$ 23,000	262,500
132,381,406	227,221			
454,910,034	636,122	235,375		212,672,071
$591,302,353	$ 21,846,123	$ 363,529	$ 23,000	$213,575,636
$ 77,688,469	$ 7,443,819	$ 13,904,459	$ 6,277,797	$ 3,073,344
$668,990,822	$ 29,289,942	$ 14,267,988	$ 6,300,797	$216,648,980
$103,430,946	$ 55,835,251	$ 397,358	$ 11,583	$ 2,477,022
229,770,575	92,877,707	249,888	26,673	15,106,996
$333,201,521	$148,712,958	$ 647,246	$ 38,256	$ 17,584,018
$ 53,667,822	$123,136,525	$ 141,735		$ 1,269,937
223,101,116	24,350,756	266,581		16,140,108
$276,768,938	$147,487,281	$ 408,316		$ 17,410,045
$ (3,845,286)	$ 82,017	$ 9,607		$ (302,243)
292,065	400,067	49,904		52,021
$ (4,137,351)	$ (318,050)	$ (40,297)		$ (354,264)
$ 52,295,232	$ 907,627	$ 198,633	$ 38,256	$ (180,291)
$268,412,745	$ 6,175,720	$ 13,009,806	$ 6,149,786	$ 87,461,141
52,295,232	907,627	198,633	38,256	(180,291)
(243,019,508) [3]	360,472	696,020	89,755	(84,207,506) [4]
$ 77,688,469	$ 7,443,819	$ 13,904,459	$ 6,277,797	$ 3,073,344

[3] Retirement systems booked retirement fund liabilities. $197 million from prior years and $48 million from the current year.

[4] Adjustments to record investment in fixed assets in University Plant Fund - Investment in Plant.

Notes to financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Note (1) Summary of Significant Accounting Policies

A. Contents of Statements and Basis of Presentation - The accompanying financial statements include all funds, account groups, boards, commissions, agencies, colleges and universities that are controlled by the state. The bonding activity of the Board of Housing, which has a legal existence independent and separate from the state, is maintained outside of the state treasury. Montana reports its financial activity in accordance with the State's statutory provisions. This system varies from generally accepted accounting principles (GAAP) in the following cases:

(1) Required Statements of Revenues, Expenditures, and Changes in Fund Balance--Budget and Actual--all appropriated governmental funds are not presented,

(2) Required Statements of Changes in Financial Position--all revolving (proprietary) funds are not presented,

(3) Fund Structure (see Note 1(B),(J) and (K)) is not in accordance with GAAP,

(4) Budget basis differs from GAAP with respect to governmental fund revenues and all funds encumbrances,

(5) Method of accounting for gains or losses on bond swaps is not in accordance with GAAP,

(6) Investments are stated at cost rather than lower of cost or market (LCM),

(7) Inventories are stated at cost rather than LCM,

(8) Accounting for leases is not disclosed,

(9) Nature and purposes of all reported reserves and designations of fund equities are not disclosed,

(10) Notes and Bonds Payable are not disclosed in the proper manner, and

(11) Construction and Long Range Building Plans are not disclosed.

(12) Fixed Assets purchased on installment are recorded only to the extent of installment payments made rather than full cost at time of purchase.

B. Fund Structure - The State's fund structure consists of fifteen funds. Six represent the College and University Business Administration (CUBA) funds utilized by the University System. The fund structure is in the process of being changed to reflect the funds and account groups prescribed by the National Council on Governmental Accounting in Statement 1.

GENERAL FUND (011XX) - consists of all monies deposited in the State treasury which are available to defray the general cost of state government and which do not fall into one of the state funds enumerated herewith.

EARMARKED REVENUE FUND (02XXX) - consists of monies from state sources which are to be specifically used for the purpose of defraying costs of a particular activity of state government.

SINKING FUND (03XXX) - consists of monies deposited in the State treasury for payment of principal and interest on long-term indebtedness.

FEDERAL & PRIVATE REVENUE FUND (04XXX) - consists of monies from federal and private sources, including trust income, which are to be used for operation of state government.

FEDERAL & PRIVATE GRANT CLEARANCE FUND (05XXX) - consists of monies from federal and private sources, including trust income, which the State disburses to persons, associations, or units of local government.

BOND PROCEEDS & INSURANCE CLEARANCE FUND (06XXX) - consists of monies from sale of bonds, certificates of indebtedness, or similar obligations and, monies indemnifying the state for loss or damage of property.

REVOLVING FUND (07XXX) - consists of monies used to defray reimburseable expenditures and/or supply working capital for enterprise-type operations.

TRUST & LEGACY FUND (08XXX) - consists of monies the state administers as a trustee pursuant to law or a trust agreement restricting the use of the money for a specified purpose and prohibiting the expenditure of the principal for a period of at least five years.

AGENCY FUND (09XXX) - consists of monies which are held by the state as a custodian or agent.

University Funds (CUBA):

CURRENT FUNDS (3XXXX) - classifies the status and condition of those financial resources which may be used to pay current University operating costs relating to instruction, research, public service and the allied support programs.

STUDENT LOAN FUND (4XXXX) - classifies the status and condition of those financial resources of the University System which may only be loaned to students, faculty, or staff for purposes related to education, organized research, or public services.

ENDOWMENT FUNDS (5XXXX) - classifies those financial resources received by the Montana University Systems wherein the principal portion of the amount received is non-expendable but is available for investment thus producing consumable income. Expendable earnings on endowment funds are to be transferred to the appropriate operating funds pursuant to prevailing administrative requirements.

ANNUITY & LIFE INCOME FUND (6XXXX) - classifies those financial resources received under a University agreement whereby money or property is available

on the condition that the receiving unit binds itself to pay stipulated amounts periodically to the donor over a specified period of time.

PLANT FUND (7XXXX) - classifies those resources allocated to or received by the University System for capital outlay purposes or to retire long-term debts associated with the construction or acquisition of fixed assets.

AGENCY FUND (8XXXX) - classifies those resources held by the University System as a fiscal agent or custodian for individual students, faculty, staff, and organizations.

C. Basis of Accounting - All funds except revolving and university funds are accounted for on the modified accrual basis of accounting. In applying the modified accrual basis, these funds recognize revenues when:

1) Received in cash (If the item is material and received before the normal time of receipt it is recorded as deferred revenue until the normal time of receipt), or

2) Susceptible to accrual (i.e., measurable and available to finance current operations or liquidate liabilities existing at the end of the year), or

3) Material and have not been received at the "normal" time of receipt.

Expenditures are recognized when the related liability is incurred. At year-end, valid obligations are accrued in the following manner:

1) Payroll is accrued in the fiscal year in which earned,

2) Materials and supplies are charged in the fiscal year received,

3) Services are charged against the fiscal year in which the services will be received. Per Section 17-7-302, M.C.A., systems development inter- or intra-agency service agreements shall be accrued at the end of the fiscal year in which created,

4) Equipment costs are charged against the fiscal year in which the equipment was budgeted.

Revolving Funds are maintained and reported on the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable; expenses are recognized in the period incurred (if measurable).

The University funds are accounted for on the accrual basis of accounting. Student tuition and fees are fully recognized in the fiscal year in which the related courses or activities are principally conducted. Student tuition and fees applicable to future courses or activities and collected as of the fiscal year end, are reported as deferred revenue.

Revenue vs. Income - Revenue, as used in Statewide Budgeting And Accounting System, identifies prime monies coming into the Treasury which can be used to finance state operations (an amount received is to be classified as revenue only

once). Income classifies all other monies used to finance operations wherein the amount has been directly or indirectly accounted for as revenue.

Expenditure vs. Withdrawal - Expenditures identify the prime cost of conducting state operations (a disbursement is classified as an expenditure only once). Withdrawals are used to identify all other costs associated with conducting state operations wherein the disbursement has already directly or indirectly been accounted for as an expenditure and/or expense.

D. Budget - The state's fixed annual budget is prepared principally on the same basis as the fund types and represents legislative appropriations authorized and any budget amendment revisions during the year reflecting program modifications.

Appropriations may be continued into the next fiscal year when authorized by the Legislature or the Office of Budget and Program Planning (OBPP). Appropriations that are not continued are reverted after fiscal year end. The reverted appropriations will remain on the books for one more year to record proper prior year adjustments.

E. Encumbrances - These are used for budgetary control purposes. Encumbrances outstanding at year-end, represented by executed and unperformed purchase orders and contracts, that are valid obligations (see Note 1(C) above), are charged to the operations of the year then ending.

F. Cash and Cash Equivalents - This includes bank accounts, short term investments, petty cash, cash in U.S. Treasury, cash with trustee banks and cash on hand at fiscal year end. Pooled excess Treasury cash (historically approximately 98% of the total) is invested in short term obligations with all interest income credited to the General Fund.

G. Receivables - This classification consists of federal cost reimbursements; receivables for receipts, expenditure abatements, dishonored checks, and advances; notes receivable; loans receivable; dividends receivable; commitment fees receivable; other receivables and allowance for uncollectables.

H. Investments - This classification includes short-term and long-term investments stated at cost or amortized cost, which at June 30, 1981, approximated market value. The state has elected the deferred and amortization method of accounting for gains or losses on bond swaps (i.e., the unamortized deferred gains or losses are netted against the investment account and written off ratably over the life of either the bond sold or acquired whichever is less). (See Note 2 for Investments by Fund and Type).

I. Inventories - Where utilized, inventories are stated at cost.

All funds (except revolving and universities) use the "purchases method". That is, inventory purchases are recorded as expenditures, and inventory on hand at fiscal year end is shown as a reserve of fund balance.

Revolving funds and universities are on the "consumption method", i.e. inventories are expensed as used.

All funds utilize periodic inventory procedures.

J. General Fixed Assets & Depreciation - The state's general fixed assets are stated at cost and are not depreciated. Interest during construction is not capitalized. Also, infrastructure general fixed assets are not capitalized (i.e., highways, bridges, curbs and gutters, etc.).

Revolving funds fixed assets are accounted for within their respective funds. Fixed assets are depreciated on a straight-line basis, using estimated useful lives of 30-50 years for buildings; 20 years for improvements; and 4 to 12 years for equipment.

University funds account for their fixed assets in their plant funds. Fixed assets in the University Units are stated at cost and are not depreciated.

The valuation of fixed assets is based upon historical cost or estimated historical cost (using current costs and Gross National Implicit Price deflator indexes).

Following is a schedule of fixed assets balances at June 30, 1981 for the General Fixed Assets Account Group (GFAAG), Non-Expendable Trust Funds (NETF), University Plant Funds (UPF), and Revolving Funds (RF). Since all agencies had not recorded their fixed assets on the Statewide Budgeting and Accounting System as of the end of the previous fiscal year, no July 1, 1980 balances and no schedules of additions and deletions are presented. Only one state agency has not recorded its fixed assets and has not provided any cost information to be included in this schedule. However, the total cost of their equipment is immaterial to the state as a whole.

	Balance June 30, 1981 Amount (millions)						
	Land	Bldgs	Other Improv	Equip	Const In Prog	Other Fixed Assets	Total
GFAAG	$ 27.0	$ 72.5	$ 2.6	$ 26.4	$ 2.6	$ 26.4	$157.5
NETF	49.4						49.4
UPF	2.1	148.8	1.3	25.4	.7	19.5	197.8
	78.5	221.3	3.9	51.8	3.3	45.9	404.7
RF	.2	.4		33.0	.2	1.7	35.5
Less Accum Depr		.1		16.7			16.8
TOTAL	$ 78.7	$221.6	$ 3.9	$ 68.1	$ 3.5	$ 47.6	$423.4

Investment in General Fixed Assets from:

General Fund	$ 61.0
Earmarked Revenue Fund	43.1
Federal and Private Revenue Fund	21.3
Revolving Fund (Assets of Revolving Fund entities that are not proprietary.)	.1
Bond Proceeds and Insurance Clearance Fund	1.6
Federal and Private Grant Clearance Fund	.3
Donated Fixed Assets	30.1
TOTAL	$157.5

K. Long-Term Liabilities - All funds (except revolving and universities) long-term liabilities are not presently recorded in the Long-Term Debt Account Group within SBAS. This will be accomplished prior to the close of Fiscal Year End June 30, 1982.

Long-term liabilities directly related to revolving funds are accounted for within these funds.

University units long-term debts are recorded in their plant funds.

(See Note 3 for state bonded debt)

L. Inter-entity Transactions - The Department of Administration is authorized to temporarily loan unrestricted monies within accounting entities per 17-2-107(2), MCA, "provided that there is reasonable evidence that the income provided for the remainder of the fiscal year will be sufficient to restore the amount so transferred...." No accounting entity may have a negative cash balance at the close of the fiscal year.

Note (2) Investments In summary form, the state's investments are displayed comparatively below and on the next page, in two different schedules. The schedules are arrayed by fund and by type. The values of these investments are based on total recordations in applicable general ledger control accounts for each accounting entity. In other words, long-term investments, though valued at amortized cost, are recorded initially at par along with corresponding contra-asset premium or discount accounts, if applicable. The figures shown in the two schedules are net amounts. Short-term investments are recorded and valued at cost. Also, the state has elected the deferral and amortization method of accounting for gains or losses on bond swaps. That is, the unamortized deferred gains or losses are netted against the investment account and written off ratably over the life of either the bond sold or acquired, whichever is less. (This is not in accordance with GAAP.)

Schedule I (By Fund)(millions)

Investments by Fund	Investments 6-30-81	% of Total	Investments 6-30-80	% of Total
Earmarked Revenue	$ 12.7	1.1	$ 10.6	1.0
Sinking	3.4	.3	2.7	.3
Fed. & Pr. Revenue	.4	-	.3	-
Fed & Pr. Grant	23.1	1.9	17.6	1.7
BPIC	12.7	1.1	23.9	2.3
Revolving	7.7	.6	1.1	.1
Trust & Legacy	262.4	21.9	194.7	18.5
Agency	607.5	50.7	563.6	53.6
University Current	6.7	.6	6.4	.6
University Student Loan	.4	-	.4	-
University Endowment	5.3	.4	5.2	.5
University Plant	8.1	.7	8.5	.8
University Agency	1.0	.1	1.3	.1
Treasurer (1)	247.5	20.6	214.7	20.5
TOTALS	$1,198.9	100.0%	$1,051.0	100.0%

(1) Treasurer's Investments		
Invest. at Cost	$111.0	$ 88.2
STIP Units at Cost	136.5	126.5
Totals	$247.5	$214.7

Schedule II (By Type)(millions)

Type of Investment	Investments 6-30-81	% of Total	Investments 6-30-80	% of Total
Corporate Bonds	$ 672.7	56.1	$ 485.2	46.2
Common Stock	49.4	4.1	34.6	3.3
U.S. Government Securities	231.1	19.3	271.7	25.8
Montana Mtgs	77.6	6.5	78.1	7.4
Montana CD's	46.7	3.9	60.5	5.8
Bankers Acceptance	41.9	3.5	54.6	5.2
Commercial Paper	57.9	4.8	47.3	4.5
*University Admin	10.7	.9	10.8	1.0
Other	10.9	.9	8.2	.8
TOTALS	$1,198.9	100.0%	$1,051.0	100.0%

*These are amounts held by a trustee bank for a unit of the University System pursuant to the terms of a bond indenture. These amounts are considered to be outside the treasury system.

Note (3) Long-Term Debt: A Summary of Changes in General Long-Term Debt

Category Of Issue	Debt Outstanding 6/30/80	Debt Incurred During Yr.	Debt Redeemed During Yr.	Debt Oustanding 6/30/81
State General Oblig.(A)	$27,840,000	-0-	$ 495,000	$27,345,000
State Construction (B)	14,239,393		1,666,518	12,572,875
Higher Education (C)	44,200,000		1,523,000	42,677,000
State Conservation	11,500		2,000	9,500
Lease-Purchase Agreement(D)	1,515,918		42,358	1,473,560
TOTAL STATE DEBT(E)	$87,806,811	-0-	$ 3,728,876	$84,077,935

(A) $3,795,749 is available in the Debt Service Funds to service the general obligation bonds.

(B) $1,947,118 is available in the Debt Service Funds to service the State Construction Long Range Building Bonds.

(C) Montana Board of Regents may authorize the construction of revenue producing facilities and issue bonds to finance such facilities. Such bonds are payable from revenues of the facilities at the issuing institutions received from dormitory rentals, food service user charges, federal grants, including land grant income and student fees.

(D) Payments are made from rental charges paid by the tenant agency (Department of Social and Rehabilitation Services). The rental payments are secured by the full faith and credit and taxing powers of the state.

(E) Does not include Board of Housing Revenue Bonds & Notes $237,875,000; none of which is backed by the full faith and credit of the State.

Note (4) Pension Plans and Deferred Compensation Plan:

A. The state maintains seven pension systems. All systems provide the basic retirement benefits--early retirement, disability, death and termination. The two largest and most significant pension plans are Public Employees Retirement (PERS) and Teachers Retirement (TRS) systems.

PERS provides services to state employees and employees of contracting political subdivisions. Members are eligible for retirement at age 60 with a minimum of 5 years of service. A member may retire as early as age 50 with 5 years of service with an actuarially reduced benefit. A member with 30 or more years of service may retire at any age or after 25 years of service with an actuarially reduced benefit. The financial statements of PERS are prepared in conformity with GAAP using the accrual basis of accounting. The Statewide Budgeting and Accounting System (SBAS) contains the primary accounting records. PERS is funded through employee and employer contributions: The contribution rate is determined by the actuary and fixed by statute. "Entry age normal cost method" is the funding method employed by the actuary. This method establishes the normal cost of each fund as well as an unfunded accrued liability. To maintain the fund on an actuarially sound basis, the rate of contributions should be such as to fund the normal cost in addition to amortizing the unfunded liability over a 40 year period. As of June 30, 1980, actuarial valuation, PERS was on a 48.2 year funding basis.

Teachers Retirement System is administered by the Teachers Retirement Board. TRS provides retirement services to all persons employed as teachers, librarians, physical education directors, school nurses, principals, vice-principals, supervisors, superintendents, county superintendents of schools, and any other member of the teaching or professional staff of any public-school, elementary school, or high school, or units of the university system. Membership also applies to any person employed in the Office of or by, the State Superintendent of Public Instruction (where duties pertain to instructional services) and any member of the instructional staffs of various state custodial institutions. TRS members are eligible for retirement at the same ages as PERS members--with the stipulation that the last 5 years of employment be within the State. TRS has a mandatory retirement age (70) with exceptions granted university staffs by the Board of Regents. The financial statements of TRS are prepared in conformity with GAAP using the accrual basis of accounting. Accounting records are maintained on SBAS. TRS is funded through member and employer contributions (rates are 6.187% and 6.312% respectively). TRS also utilizes the "entry age normal cost method". As of the June 30, 1979, actuarial valuation, TRS was on a 48.15 year funding basis.

The last reported disclosures for the two major pension systems:

	PERS	TRS
Participating Employees	34,000	20,000
Pension Plan Expense (6-30-81)	$ 26,931,000	$ 20,605,000
Employee Contributions (6-30-81)	19,688,000	16,681,000
Employer Contributions (6-30-81)	19,700,000	15,787,000
Actuarial Present Value of vested accumulated plan benefits:		
(6-30-80)	383,579,000	
(6-30-79)		349,400,000
Actuarial present value of nonvested accumulated plan benefits:		
(6-30-80)	139,311,000	
(6-30-79)		360,750,000
Net Assets available for benefits (6-30-81)	287,200,000	225,700,000
Unfunded liability:		
(6-30-80)	217,097,000	
(6-30-79)		354,400,000
Assumed Rate of Return used by actuary	7%	7%
Assumed inflationary increase for future salaries	5.5%	5.5%

The unfunded liabilities in the other five systems as of June 30, 1980 were:

Highway Patrol Retirement System	$ 8,179,000
Game Wardens Retirement System	3,261,000
Sheriffs Retirement System	1,981,000
Montana Judges' Retirement System	4,221,000
Municipal Police Retirement System	27,813,000

B. Deferred Compensation - Since 1976, in addition to its seven pension systems, the state has offerred a deferred compensation plan to its employees. Presently 10% or 1800 employees have opted to be participants. All public employees, including elected or appointed officials receiving any type of compensation from the state or any of its agencies, departments, subdivisions, or instrumentalities for whom services are rendered, are eligible. Participant's rights created under the plan are that of general creditors of the state and only "in an amount equal to fair market value of the deferred account maintained with respect to the PARTICIPANT determined as if the deferred amounts had been invested pursuant to the PARTICIPANT'S investment specificiation." As of June 30, 1981, the net assets of the plan available for benefits totaled $7,694,041. It is the opinion of the Department of Administration's legal counsel that the state has no liability for losses under this plan, other than what would be required for an ordinary prudent investor.

Note (5) Employee Annual Vacation and Sick Leave

There is no recorded liability for accumulated annual and sick leave in these financial statements. The state's policy is to record the cost of annual and sick leave when paid. Employees earn annual leave at various rates depending upon state service. Vacation leave can be accumulated up to twice the amount earned in any one year. Sick leave is earned at the rate of 12 working days for

each year of service. Employees receive lump sum payments upon termination for 100% of accumulated vacaction and one-fourth of their unsued sick leave accrued after July 1, 1971.

Note (6) Contingencies

The state is a defendant in numerous law suits involving negligence, civil rights and tort claims which are either covered under the state's self-insurance plan or by private insurance. The state has initiated a self-insurance plan which has been in effect for two years whereby certain reserves are established in the budget for each fiscal year to provide for payment of liabilities which may be incurred. With regard to the pending litigation, it is the opinion of the Attorney General that the reserves are adequate and that such pending litigation will not be finally determined so as to result individually or in the aggregate in a final judgment against the state which would materially affect its financial position. Any unpaid judgments are referred to the legislature for consideration in establishing the next biennial budget.

Note (7) Federal Assistance

The state receives federal grants and entitlements for specific purposes which are subject to review and audit by the grantor agencies. Any disallowances as a result of these audits would become a liability of the state. As of June 30, 1981, the state estimates that no material liabilities will result from such audits.

Supplemental Financial Data

*This part of the Financial Section is devoted to statewide fund-summary schedules and Treasurer's accountability.

*Fund-summary schedules begin on page 16. These schedules provide detail in three distinct areas:

Receipts by Classification (page 16)
Disbursements by Category (page 26) and
Disbursements by Organizational Unit (page 36)

Each of these areas is further sub-divided into three schedules: (1)Fiscal year 1980 summary activity for All Funds, General Fund, University Funds, and Other Funds; (2)Detailed schedules of the University Funds and Other Funds; (3)Comparative statements (comparing FY 1980 and FY 1981) for both: all funds combined and the General Fund by itself.

The schedules are presented in terms of "receipts" and "disbursements". These terms are further sub-divided into "revenue/income: and "expenditures/withdrawals". The informed reader should be aware of the differences in these terms before pursuing the following schedules. (Reference Notes to Financial Statements, page 6 and 7)

*Treasurer's Accountability Account is on page 45.

STATE OF MONTANA

All Funds

Schedule of Receipts by Classification
For Fiscal Year Ended June 30, 1981

Classification	Total All Funds		
	Receipts	Revenue	Income
Taxes			
Vehicle	$ 16,092,681	$ 16,092,681	$
Beer, Liquor, Cigarette, Tobacco	26,309,937	26,309,937	
Individual Income	146,036,287	146,036,287	
Corporate Income	52,900,964	52,900,964	
Property	21,858,818	21,858,818	
Fuel	48,903,026	48,903,026	
Oil Production	22,298,478	21,139,775	1,158,703
Coal Production	70,415,086	70,415,086	
Inheritance	6,195,069	6,195,069	
Other	15,360,884	15,360,884	
Total Taxes	**426,371,230**	**425,212,527**	**1,158,703**
Licenses and Permits	**39,237,899**	**39,237,899**	
Service Fees	**28,795,754**	**25,409,215**	**3,386,539**
Investment Earnings	**131,639,176**	**99,020,615**	**32,618,561**
Fines	**2,865,603**	**2,000,600**	**865,003**
Reimbursements	**23,775,078**	**15,031,947**	**8,743,131**
Sale of Documents, Merchandise & Property	**41,060,186**	**22,295,877**	**18,764,309**
Rentals, Leases & Royalties	**61,236,633**	**59,739,134**	**1,497,499**
Fiduciary & Trust	**81,963,909**	**53,225,864**	**28,738,045**
Grants, Gifts, Bequests & Donations			
Federal Grants	391,708,783	371,023,212	20,685,571
Other Grants	5,362,626	5,336,326	26,300
Gifts, Bequests & Donations	1,126,992	956,378	170,614
Miscellaneous	**7,308,240**	**3,353,021**	**3,955,219**
Income, Collections & Transfers	**286,290,871**	**7,331,645**	**278,959,226**
TOTALS	**$1,528,742,980**	**$1,129,174,260**	**$399,568,720**

General Fund		University Funds		Other Funds	
Revenue	Income	Revenue	Income	Revenue	Income
$	$	$	$	$ 16,092,681	$
12,461,433				13,848,504	
93,463,223				52,573,064	
30,962,755				21,938,209	
19,354				21,839,464	
				48,903,026	
20,535,760				604,015	1,158,703
13,378,906				57,036,180	
6,195,069					
6,863,698				8,497,186	
183,880,198				241,332,329	1,158,703
15,097,944				24,139,955	
2,603,638	274,058	17,094,703	2,758,002	5,710,874	354,479
34,002,973		2,485,801	1,492,969	62,531,841	31,125,592
875,880				1,124,720	865,003
11,335,560	46,080	105,946	379,102	3,590,441	8,317,949
7,606,400	10,654	10,820,287	17,622,992	3,869,190	1,130,663
113,124				59,626,010	1,497,499
				53,225,864	28,738,045
		20,557,063	50,146	350,466,149	20,635,425
		5,271,059		65,267	26,300
		421,068	165,788	535,310	4,826
52,764		505,937	2,068,275	2,794,320	1,886,944
125,701	26,501,774	1,445,860	75,801,638	5,760,084	176,655,814
$255,694,182	$ 26,832,566	$ 58,707,724	$100,338,912	$814,772,354	$272,397,242

STATE OF MONTANA

University Funds

Schedule of Receipts by Classification and Fund
For the Fiscal Year Ended June 30, 1981

Classification	Total University Fund		Current Fund							
			Unrestricted (Operating)		Restricted		Designated		Auxiliary	
	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income
Taxes										
Vehicle	$	$	$	$	$	$	$	$	$	$
Beer, Liquor, Cigarette, Tobacco										
Individual Income										
Corporate Income										
Property										
Fuel										
Oil Production										
Coal Production										
Inheritance										
Other										
Total Taxes										
Licenses and Permits										
Service Fees	17,094,703	2,758,002	13,517,376		59,629		1,024,037	43,272	1,682,247	1,272,888
Investment Earnings	2,485,801	1,492,969	1,073,611		126,996	17,747	27,885		181,047	389,712
Fines			—							
Reimbursements	105,946	379,102	6,268	344,803						
Sale of Documents, Merchandise & Property	10,820,287	17,622,992	1,914,112				645,291	3,474,089	8,259,275	14,105,114
Rentals, Leases & Royalties										
Fiduciary & Trust										
Grants, Gifts, Bequests & Donations										
Federal Grants	20,557,063	50,146	4,441,148		15,892,797	46,435				
Other Grants	5,271,059		332,557		4,938,502					
Gifts, Bequests and Donations	421,068	165,788			387,704	159,924	10,199		19,515	
Miscellaneous	505,937	2,068,275	325,317		17,640	10,722	58,485	387,584	100,377	310,426
Income, Collections and Transfers	1,445,860	75,801,638		62,564,122	589,605	1,630,298	201,125	7,211,168		631,526
TOTALS	$ 58,707,724	$100,338,912	$ 21,610,389	$ 62,908,925	$ 22,012,873	$ 1,865,126	$ 1,967,022	$ 11,116,073	$ 10,243,061	$ 16,709,866

STATE OF MONTANA

University Funds

Schedule of Receipts by Classification and Fund
For the Fiscal Year Ended June 30, 1981

Classification	Student Loan Fund		Unexpended Plant Fund		Renewal & Replacement		Debt Service	
	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income
Taxes								
Vehicle	$	$	$	$	$	$	$	$
Beer, Liquor, Cigarette, Tobacco								
Individual Income								
Corporate Income								
Property								
Fuel								
Oil Production								
Coal Production								
Inheritance								
Other								
Total Taxes								
Licenses and Permits								
Service Fees	38,951		171,579				600,884	1,441,842
Investment Earnings	13,280	101,602	824,477	5,484	60,675	40,712	177,830	937,712
Fines								
Reimbursements	99,678	34,299						
Sale of Documents, Merchandise & Property		1,398	1,609			42,411		
Rentals, Leases & Royalties								
Fiduciary & Trust								
Grants, Gifts, Bequests & Donations								
Federal Grants	200,000	3,711					23,118	
Other Grants								
Gifts, Bequests & Donations		5,864	3,650					
Miscellaneous	1,449	101,397	2,089	1,144,554		22,784		90,828
Income, Collections & Transfers	44,000	1,617	10,000	1,482,172		93,631	601,130	2,187,104
TOTALS	$ 397,358	$ 249,888	$ 1,013,384	$ 2,632,210	$ 60,675	$ 199,538	$ 1,402,962	$ 4,657,486

STATE OF MONTANA

Other Funds

Schedule of Receipts by Classification and Fund
For Fiscal Year Ended June 30, 1981

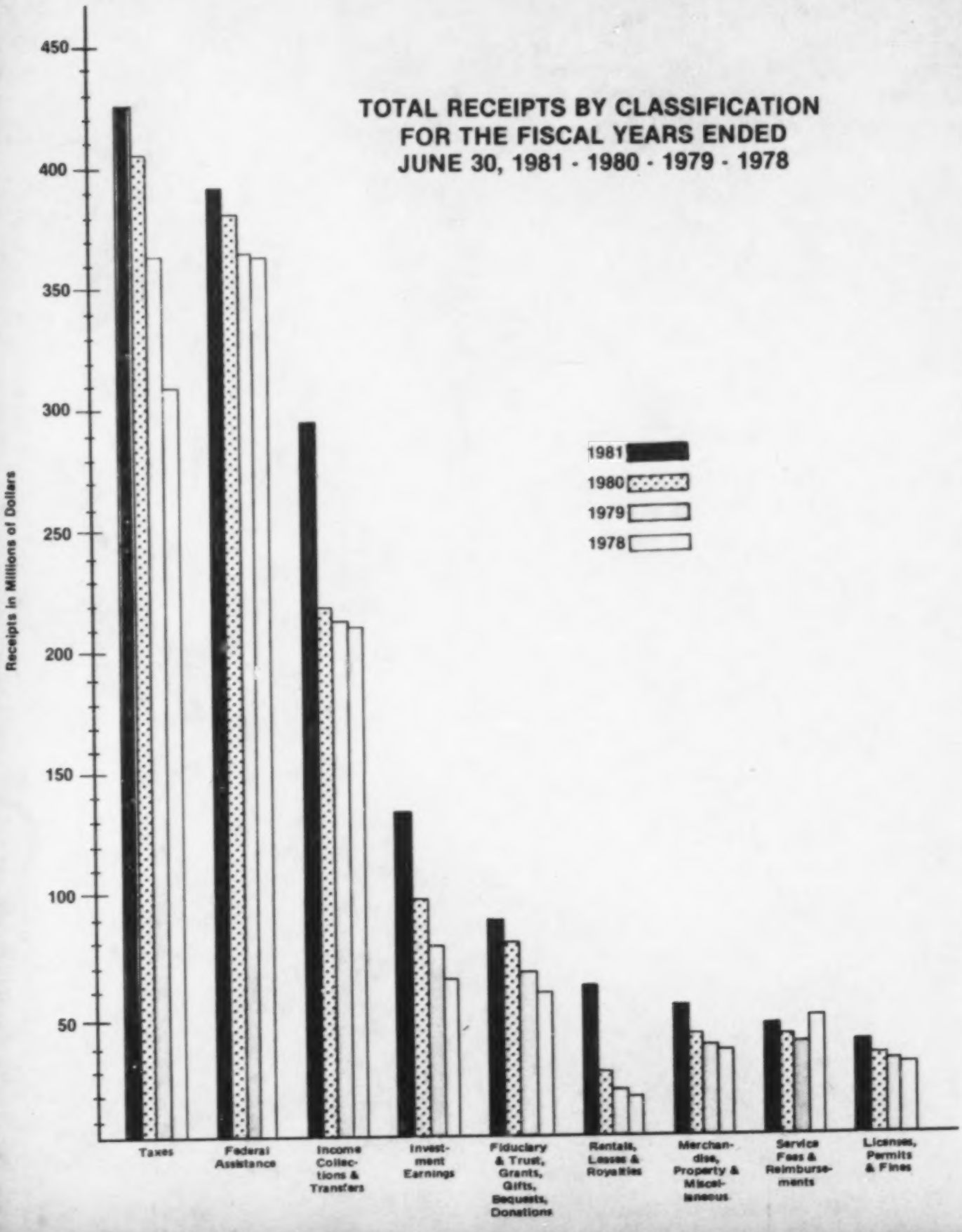
Classification	Total Other Funds		Earmarked Revenue Fund		Sinking Fund		Federal & Private Revenue Fund		Federal & Private Grant Clearance Fund	
	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income
Taxes										
Vehicle	$ 16,092,681	$	$ 16,092,681	$	$	$	$	$	$	$
Beer, Liquor, Cigarette, Tobacco	13,848,504		4,692,516		4,635,966					
Individual Income	52,573,064		36,509,072		16,063,992					
Corporate Income	21,938,209		12,094,826		5,321,723				4,521,660	
Property	21,839,464		21,839,464							
Fuel	48,903,026		48,903,026							
Oil Production	604,015	1,158,703	604,015							1,158,703
Coal Production	57,036,180		12,146,603		880,188					
Inheritance										
Other	8,497,186		2,039,490				1,498,671			
Total Taxes	241,332,329	1,158,703	154,921,693		26,901,869		1,498,671		4,521,660	1,158,703
Licenses and Permits	24,139,955		24,087,022							
Service Fees	5,710,874	354,479	4,657,449	23,964						
Investment Earnings	62,531,841	31,125,592	881,888	1,866,710	198,299		157,446		5,669,214	
Fines	1,124,720	865,003	1,124,720							
Reimbursements	3,590,441	8,317,949	123,094	1,393			1,907,277	590,039	523,449	5,498
Sale of Documents, Merchandise & Property	3,869,190	1,130,663	466,534	14,590			178,882	1,952		
Rentals, Leases & Royalties	59,626,010	1,497,499	102,659				1,608,307		46,849,507	1,426,998
Fiduciary & Trust	53,225,864	28,738,045								
Grants, Gifts, Bequests & Donations										
Federal Grants	350,466,149	20,635,425	11,808,646				187,968,194	5,399,059	145,236,894	15,215,748
Other Grants	65,267	26,300							65,267	26,300
Gifts, Bequests & Donations	535,310	4,826	9,091		109,199		122,534	1,878	291,735	
Miscellaneous	2,794,320	1,886,944	1,327,653	139,142			1,413,526	219,911	31,391	
Income, Collections & Transfers	5,760,084	176,655,814	2,543,681	57,218,763	176,270	4,155,600	1,987,937	1,381,940	388,669	16,262,096
TOTALS	$814,772,354	$272,397,242	$202,054,130	$ 59,264,562	$ 27,385,637	$ 4,155,600	$196,842,774	$ 7,594,779	$203,557,786	$ 34,096,343

STATE OF MONTANA

Other Funds

Schedule of Receipts by Classification and Fund
For Fiscal Year Ended June 30, 1981

Classification	Bond Proceeds & Ins. Clearing Fund		Revolving Fund		Trust & Legacy Fund		Agency Fund	
	Revenue	Income	Revenue	Income	Revenue	Income	Revenue	Income
Taxes								
Vehicle	$	$	$	$	$	$	$	$
Beer, Liquor, Cigarette, Tobacco	3,020,763		1,499,259					
Individual Income								
Corporate Income								
Property								
Fuel								
Oil Production								
Coal Production					44,009,389			
Inheritance								
Other					4,959,025			
Total Taxes	3,020,763		1,499,259		48,968,414			
Licenses and Permits			52,933					
Service Fees			1,053,425	15,326				315,189
Investment Earnings	1,569,417	468,484	83,258	539,273	9,448,785	2,441,034	44,403,534	25,810,091
Fines								865,003
Reimbursements	12,188	149,915	1,024,433	7,571,104				
Sale of Documents, Merchandise & Property			961,994	887,003	2,261,780	227,118		
Rentals, Leases & Royalties			83,929	47,495	10,961,606			23,006
Fiduciary & Trust					246,183		52,979,681	28,738,045
Grants, Gifts, Bequests & Donations								
Federal Grants				20,618	7,681		5,444,734	
Other Grants								
Gifts, Bequests & Donations							2,751	2,948
Miscellaneous		1,313	21,750	249,946				1,276,832
Income, Collections & Transfers		163,378	82,742	81,196,502		2,560,822	600,785	13,717,713
TOTALS	$ 4,722,368	$ 783,090	$ 4,863,723	$ 90,526,267	$ 71,914,451	$ 5,228,974	$103,431,485	$ 70,748,627


TOTAL RECEIPTS BY CLASSIFICATION
FOR THE FISCAL YEARS ENDED
JUNE 30, 1981 - 1980 - 1979 - 1978
Receipts in Millions of Dollars
450
400
350
300
250
200
150
100
50
1981
1980
1979
1978
Taxes
Federal Assistance
Income Collections & Transfers
Investment Earnings
Fiduciary & Trust, Grants, Gifts, Bequests, Donations
Rentals, Leases & Royalties
Merchandise, Property & Miscellaneous
Service Fees & Reimbursements
Licenses, Permits & Fines

STATE OF MONTANA

All Funds

Comperative Schedule of Receipts by Classification
For the Fiscal Years Ended June 30, 1981 and June 30, 1980

	1981 Fiscal Year		1980 Fiscal Year		1981 Over (Under) 1980		
	Receipts	% of Total	Receipts	% of Total	Difference	% Difference	% of Total
Taxes							
Vehicle	$ 16,092,681	1.05	$ 15,717,601	1.17	$ 375,080	2.39	.20
Beer,Liquor,Cigarette,Tobacco	26,309,937	1.72	25,758,870	1.92	551,067	2.14	.29
Individual Income	146,036,287	9.55	134,987,298	10.07	11,048,989	8.19	5.86
Corporate Income	52,900,964	3.46	45,623,189	3.40	7,277,775	15.95	3.86
Property	21,858,818	1.43	16,244,617	1.21	5,614,201	34.56	2.98
Fuel	48,903,026	3.20	51,089,215	3.81	(2,186,189)	(4.28)	(1.16)
Oil Production	22,298,478	1.46	13,351,575	1.00	8,946,903	67.01	4.75
Coal Production	70,415,086	4.61	75,125,009	5.61	(4,709,923)	(6.27)	(2.50)
Inheritance	6,195,069	.41	8,537,242	.64	(2,342,173)	(27.43)	(1.24)
Other	15,360,884	1.00	16,566,357	1.24	(1,205,473)	(7.28)	(.64)
Total Taxes	$426,371,230	27.89	$403,000,973	30.07	$23,370,257	5.80	12.40
Licenses and Permits	$ 39,237,899	2.57	$ 33,485,317	2.50	$ 5,752,582	17.18	3.05
Service Fees	28,795,754	1.88	25,007,623	1.87	3,788,131	15.15	2.01
Investment Earnings	131,639,176	8.61	96,810,802	7.22	34,828,374	35.98	18.48
Fines	2,865,603	.19	2,383,294	.18	482,309	20.24	.26
Reimbursements	23,775,078	1.55	18,161,619	1.35	5,613,459	30.91	2.98
Sale of Documents,Merchandise & Property	41,060,186	2.69	36,548,853	2.73	4,511,333	12.34	2.39
Rentals,Leases & Royalties	61,236,633	4.01	29,210,854	2.18	32,025,779	109.64	16.99
Fiduciary & Trust	81,963,909	5.36	72,960,819	5.44	9,003,090	12.34	4.78
Grants,Gifts,Bequests & Donations							
Federal Grants	391,708,783	25.62	382,109,548	28.51	9,599,235	2.51	5.09
Other Grants	5,362,626	.35	4,839,215	.36	523,411	10.82	.28
Gifts,Bequests & Donations	1,126,992	.07	1,096,398	.08	30,594	2.79	.02
Miscellaneous	7,308,240	.48	6,853,760	.51	454,480	6.63	.24
Income,Collections & Transfers	286,290,871	18.73	227,805,690	17.00	58,485,181	25.67	31.03
TOTAL RECEIPTS	$1,528,742,980	100.00	$1,340,274,765	100.00	$188,468,215	14.06	100.00
Revenue	$1,129,174,260	73.86	$1,012,327,964	75.53	$116,846,296	11.54	62.00
Income	$399,568,720	26.14	$327,946,801	24.47	$71,621,919	21.84	38.00

STATE OF MONTANA

General Fund

Comparative Schedule of Receipts by Classification
For the Fiscal Years Ended June 30, 1981 and June 30, 1980

	1981 Fiscal Year		1980 Fiscal Year		1981 Over (Under) 1980		
	Receipts	% of Total	Receipts	% of Total	Difference	% Difference	% of Total
Taxes							
Beer,Liquor,Cigarette,Tobacco	$ 12,461,433	4.41	$ 12,261,088	4.90	$ 200,345	1.63	.62
Individual Income	93,463,223	33.08	86,391,870	34.53	7,071,353	8.19	21.86
Corporate Income	30,962,755	10.96	26,658,417	10.66	4,304,338	16.15	13.31
Property	19,354	-	171,266	.07	(151,912)	(88.70)	(.46)
Oil Production	20,535,760	7.27	11,808,579	4.72	8,727,181	73.91	26.98
Coal Production	13,378,906	4.74	20,222,579	8.08	(6,843,673)	(33.84)	(21.16)
Inheritance	6,195,069	2.19	8,537,242	3.41	(2,342,173)	(27.43)	(7.24)
Other	6,863,698	2.43	9,210,966	3.68	(2,347,268)	(25.48)	(7.26)
Total Taxes	$183,880,198	65.08	$175,262,007	70.05	$ 8,618,191	4.92	26.65
Licenses and Permits	$ 15,097,944	5.34	$ 15,983,985	6.39	$ (886,041)	(5.54)	(2.73)
Service Fees	2,877,696	1.02	1,753,307	.70	1,124,389	64.13	3.48
Investment Earnings	34,002,973	12.04	20,696,129	8.27	13,306,844	64.30	41.14
Fines	875,880	.31	777,840	.31	98,040	12.60	.30
Reimbursements	11,381,640	4.03	8,941,550	3.58	2,440,090	27.30	7.54
Sales of Documents,Merchandise & Property	7,617,054	2.70	5,708,078	2.28	1,908,976	33.44	5.90
Rentals,Leases & Royalties	113,124	.04	151,710	.06	(38,586)	25.43	(.12)
Miscellaneous	52,764	.02			52,764	100.00	.16
Income,Collections & Transfers	26,627,475	9.42	20,908,527	8.36	5,718,948	27.35	17.68
TOTAL RECEIPTS	$282,526,748	100.00	$250,183,133	100.00	$32,343,615	12.93	100.00
Revenue	$255,694,182	90.50	$228,829,231	91.46	$26,864,951	11.74	83.06
Income	$ 26,832,566	9.50	$ 21,353,902	8.54	$ 5,478,664	25.66	16.94

STATE OF MONTANA

All Funds

Schedule of Disbursements by Category and Object
For Fiscal Year Ended June 30, 1981

Category	Total All Funds		
	Disbursements	Expenditures	Withdrawals
Personal Services			
Salaries and Wages	$242,579,489	$221,122,287	$ 21,457,202
Employee Benefits	44,553,107	40,767,453	3,785,654
Total Personal Services	**287,132,596**	**261,889,740**	**25,242,856**
Operating Expenses			
Contracted Services	161,459,164	155,907,808	5,551,356
Supplies and Materials	27,389,814	17,586,376	9,803,438
Communications	11,864,772	8,057,405	3,807,367
Travel	12,738,315	11,940,215	798,100
Rent	15,154,488	13,278,593	1,875,895
Utilities	9,697,071	7,445,243	2,251,828
Repair and Maintenance	16,052,529	12,107,647	3,944,882
Other	49,121,416	8,553,455	40,567,961
Total Operating Expenses	**303,477,569**	**234,876,742**	**68,600,827**
Equipment	**14,402,291**	**9,061,868**	**5,340,423**
Capital Outlay			
Land	4,284,243	4,264,176	20,067
Buildings	25,342,401	20,283,942	5,058,459
Other Improvements	852,985	851,635	1,350
Total Capital Outlay	**30,479,629**	**25,399,753**	**5,079,876**
Local Assistance			
State Sources	143,956,742	141,568,188	2,388,554
Federal Sources	7,734,970		7,734,970
Other Sources	76,937		76,937
Total Local Assistance	**151,768,649**	**141,568,188**	**10,200,461**
Grants			
State Sources	28,720,251	28,607,480	112,771
Federal Sources	87,886,531	45,222,490	42,664,041
Other Sources	1,897,620	1,859,365	38,255
Total Grants	**118,504,402**	**75,689,335**	**42,815,067**
Benefits and Claims			
To Individuals	60,872,880	36,989,303	23,883,577
State Sources	50,750,231	39,210,077	11,540,154
Federal Sources	59,659,629	59,659,629	
Other Sources	45,378,657	44,779,900	598,757
Total Benefits & Claims	**216,661,397**	**180,638,909**	**36,022,488**
Transfers	**229,439,766**	**18,528,575**	**210,911,191**
Debt Service	**9,903,944**	**7,015,140**	**2,888,804**
TOTALS	**$1,361,770,243**	**$954,668,250**	**$407,101,993**

General Fund		University Funds		Other Funds	
Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
$ 61,763,135	$	$ 67,988,872	$ 10,416,812	$ 91,370,280	$ 11,040,390
12,791,286		10,623,753	1,865,519	17,352,414	1,920,135
74,554,421		78,612,625	12,282,331	108,722,694	12,960,525
7,274,596		6,376,787	2,705,314	142,256,425	2,846,042
4,500,020		4,763,361	5,087,371	8,322,995	4,716,067
1,918,357		2,513,853	807,947	3,625,195	2,999,420
2,121,037		3,118,220	579,873	6,700,958	218,227
1,882,678		456,023	285,599	10,939,892	1,590,296
2,336,214		3,322,686	1,759,253	1,786,343	492,575
851,827		2,388,531	1,687,715	8,867,289	2,257,167
1,065,998		5,885,440	5,573,723	1,602,017	34,994,238
21,950,727		28,824,901	18,486,795	184,101,114	50,114,032
843,740		4,892,864	2,939,600	3,325,264	2,400,823
		28,430	7,958	4,235,746	12,109
		287,644	2,756,977	19,996,298	2,301,482
				851,635	1,350
		316,074	2,764,935	25,083,679	2,314,941
50,010,323				91,557,865	2,388,554
					7,734,970
					76,937
50,010,323				91,557,865	10,200,461
9,559,030				19,048,450	112,771
185,991				45,036,499	42,664,041
210,019				1,649,346	38,255
9,955,040				65,734,295	42,815,067
13,174,886				23,814,417	23,883,577
39,198,735				11,342	11,540,154
				59,659,629	
				44,779,900	598,757
52,373,621				128,265,288	36,022,488
1,207,369	51,362,438	539,218	3,662,490	16,781,988	155,886,263
2,293,890		748,166	2,833,122	3,973,084	55,682
$213,189,131	$ 51,362,438	$113,933,848	$ 42,969,273	$627,545,271	$312,770,282

STATE OF MONTANA

University Funds

Schedule of Disbursements by Category and Object
For the Fiscal Year Ended June 30, 1981

Category	Total University Funds		Current Fund							
			Unrestricted (Operating)		Restricted		Designated		Auxiliaries	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
Personal Services										
Salaries and Wages	$ 67,988,872	$ 10,416,812	$ 53,506,426	$	$ 11,889,218	$ 18,388	$ 2,462,578	$ 2,956,972	$	$ 7,370,246
Employee Benefits	10,623,753	1,865,519	8,857,403		1,336,196	6,280	418,777	759,041		1,095,193
Total Personal Services	78,612,625	12,282,331	62,363,829		13,225,414	24,668	2,881,355	3,716,013		8,465,439
Operating Expenses										
Contracted Services	6,376,787	2,705,314	3,745,726		2,400,729	47,270	178,745	677,032		1,893,156
Supplies and Materials	4,763,361	5,087,371	2,982,394		1,186,616	20,509	579,429	808,186		4,209,387
Communications	2,513,853	807,947	2,073,278		163,458	7,998	275,876	341,122		452,495
Travel	3,118,220	579,873	1,668,489		1,261,107	30,865	183,782	126,021		418,691
Rent	456,023	285,599	310,781		108,888		36,354	147,364		125,743
Utilities	3,322,686	1,759,253	3,302,337		9,971	2,661	10,378			1,756,592
Repair and Maintenance	2,388,531	1,687,715	1,921,002		201,653	2,657	228,558	415,770		1,065,774
Other	5,885,440	5,573,723	2,078,580		3,099,913	460,051	640,294	1,204,452		3,682,410
Total Operating Expenses	28,824,901	18,486,795	18,082,587		8,432,335	572,011	2,133,416	3,719,947		13,604,248
Equipment	4,892,864	2,939,600	3,074,717		1,571,010	38,508	197,487	326,725		368,261
Capital Outlay										
Land	28,430	7,958	25,422							
Buildings	287,644	2,756,977	28,790		13,294	2,515		1,648		240,365
Other Improvements										
Total Capital Outlay	316,074	2,764,935	54,212		13,294	2,515		1,648		240,365
Transfers	539,218	3,662,490	240,775		128,094	4,840	118,653			2,311,749
Debt Service	748,166	2,833,122								8,316
TOTAL DISBURSEMENTS	$113,933,848	$ 42,969,273	$ 83,816,120	$	$ 23,370,147	$ 640,542	$ 5,330,911	$ 7,764,333	$	$ 24,998,378

STATE OF MONTANA

University Funds

Schedule of Disbursements by Category and Object
For the Fiscal Year Ended June 30, 1981

Category	Student Loan Fund		Plant Fund					
			Unexpended		Renewal & Replacement		Debt Service	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
Personal Services								
Salaries and Wages	$ 21,752	$	$ 108,898	$ 70,006	$	$ 1,200	$	$
Employee Benefits	3,740		7,637	5,005				
Total Personal Services	25,492		116,535	75,011		1,200		
Operating Expenses								
Contracted Services	43,965		7,622	64,098		12,325		11,433
Supplies and Materials			14,922	28,742		20,547		
Communications	1,241			6,332				
Travel	4,842			4,296				
Rent						12,492		
Utilities								
Repair and Maintenance			37,318	46,630		152,520		4,364
Other	64,578	216,552	2,075	724		6,515		3,019
Total Operating Expense	114,626	216,552	61,937	150,822		204,399		18,816
Equipment			18,423	2,028,564	31,227	146,487		33,055
Capital Outlay								
Land			3,008	7,958				
Buildings			186,339	2,269,975	59,221	217,474		25,000
Other Improvements								
Total Capital Outlay			189,347	2,277,933	59,221	217,474		25,000
Transfers	1,617		50,079	9,075		1,028		1,335,798
Debt Service			3,013				745,153	2,824,806
TOTAL DISBURSEMENTS	$ 141,735	$ 216,552	$ 439,334	$ 4,541,405	$ 90,448	$ 570,588	$ 745,153	$ 4,237,475

STATE OF MONTANA

Other Funds

Schedule of Disbursements by Category and Object
For the Fiscal Year Ended June 30, 1981

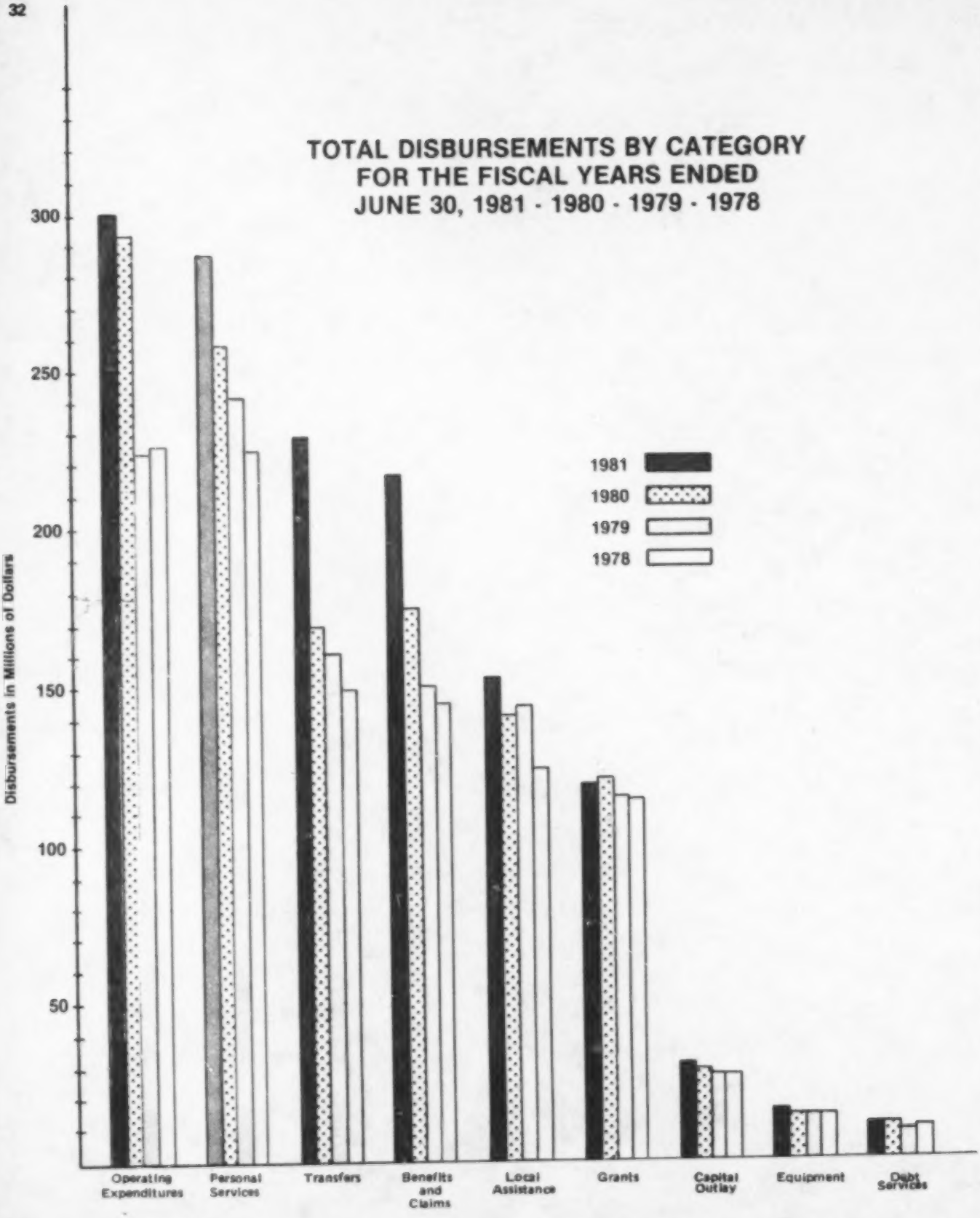
Category	Total Other Funds		Earmarked Revenue Fund		Sinking Fund		Federal & Private Revenue Fund		Federal & Private Grant Clearance Fund	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
Personal Services										
Salaries and Wages	$ 91,370,280	$ 11,040,390	$ 37,904,794	$ 1,190,133	$	$	$ 46,397,495	$ 1,359,199	$	$
Employee Benefits	17,352,414	1,920,135	7,597,104	209,956			8,313,423	56,995		
Total Personal Services	108,722,694	12,960,525	45,501,898	1,400,089			54,710,918	1,416,194		
Operating Expenses										
Contracted Services	142,256,425	2,846,042	32,712,198	9,992			108,504,725	9,270		
Supplies and Materials	8,322,995	4,716,067	3,086,522	17,129			5,050,135	81,280		
Communications	3,625,195	2,999,420	1,854,718	5,714			1,433,892			
Travel	6,700,958	218,227	2,539,736	7,147			4,026,647	8,787		
Rent	10,939,892	1,590,296	7,420,823	9,122			2,649,126			
Utilities	1,786,343	492,575	1,166,326				461,923			
Repair and Maintenance	8,867,289	2,257,167	8,182,238	29,290			607,845			
Other	1,602,017	34,994,238	195,640	326,909			797,471	44,635		
Total Operating Expenses	184,101,114	50,114,032	57,158,201	405,303			123,531,764	143,972		
Equipment	3,325,264	2,400,823	2,450,412	59,354			823,750	665,048		
Capital Outlay										
Land	4,235,746	12,109	261,312				3,704,543			
Buildings	19,996,298	2,301,482	2,489,251				1,457,585			
Other Improvements	851,635	1,350	49,293				802,342			
Total Capital Outlay	25,083,679	2,314,941	2,799,856				5,964,470			
Local Assistance										
State Sources	91,557,865	2,388,554	85,540,750	1,218,384					4,521,660	1,158,703
Federal Sources		7,734,970								7,734,970
Other Sources		76,937								76,937
Total Local Assistance	91,557,865	10,200,461	85,540,750	1,218,384					4,521,660	8,970,610
Grants										
State Sources	19,048,450	112,771	13,483,409				5,237,966			
Federal Sources	45,036,499	42,664,041	4,420				5,675,995	75,006	39,348,184	42,589,035
Other Sources	1,649,346	38,255	597,412				40,220	38,255	1,011,714	
Total Grants	65,734,295	42,815,067	14,085,241				10,954,181	113,261	40,359,898	42,589,035
Benefits and Claims										
To Individuals	23,814,417	23,883,577					12,173		22,385,583	
State Sources	11,342	11,540,154	11,342							
Federal Sources	59,659,629						27,979		49,778,711	
Other Sources	44,779,900	598,757								598,757
Total Benefits & Claims	128,265,288	36,022,488	11,342				40,152		72,164,294	598,757
Transfers	16,781,988	155,886,263	12,380,526	10,756,352		28,579,332	811,661	349,199	2,570,563	53,805,114
Debt Service	3,973,084	55,682			3,973,084	5,204				
TOTAL DISBURSEMENTS	$627,545,271	$312,770,282	$219,928,226	$ 13,839,482	$ 3,973,084	$ 28,584,536	$196,836,896	$ 2,687,674	$119,616,415	$105,763,516

STATE OF MONTANA

Other Funds

Schedule of Disbursements by Category and Object
For the Fiscal Year Ended June 30, 1981

Category	Bond Proceeds & Insurance Clearance Fund		Revolving Fund		Trust & Legacy Fund		Agency Fund	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
Personal Services								
Salaries and Wages	$	$	$ 7,067,991	$ 8,489,342	$	$	$	$ 1,716
Employee Benefits			1,441,887	1,652,578				606
Total Personal Services			8,509,878	10,141,920				2,322
Operating Expenses								
Contracted Services	62,269	77,285	973,988	2,667,158			3,245	82,337
Supplies and Materials	4,358		177,627	4,617,658			4,353	
Communications			736,585	2,993,706				
Travel	3,675		129,839	202,293			1,061	
Rent			869,943	1,581,174				
Utilities			158,094	489,808				2,767
Repair and Maintenance	13,010		64,196	2,222,860				5,017
Other			608,906	33,615,735				1,006,959
Total Operating Expenses	83,312	77,285	3,319,178	48,390,392			8,659	1,097,080
Equipment	8,765		38,816	1,676,421			3,521	
Capital Outlay								
Land	269,891		—	12,109				
Buildings	15,810,327		239,135	2,301,482				
Other Improvements				1,350				
Total Capital Outlay	16,080,218		239,135	2,314,941				
Local Assistance								
State Sources			1,495,455					11,467
Federal Sources								
Other Sources								
Total Local Assistance			1,495,455					11,467
Grants								
State Sources	327,075	112,771						
Federal Sources	7,900							
Other Sources								
Total Grants	334,975	112,771						
Benefits and Claims								
To Individuals			1,214,369				202,292	23,883,577
State Sources								11,540,154
Federal Sources							9,852,939	
Other Sources			1,179,489				43,600,411	
Total Benefits and Claims			2,393,858				53,655,642	35,423,731
Transfers	956,944	724,461	62,294	18,781,524		11,581,893		31,508,388
Debt Service		50,478						
TOTAL DISBURSEMENTS	$ 17,484,214	$ 964,995	$ 16,058,614	$ 81,305,198	$	$ 11,581,893	$ 53,667,822	$ 68,042,988


TOTAL DISBURSEMENTS BY CATEGORY
FOR THE FISCAL YEARS ENDED
JUNE 30, 1981 · 1980 · 1979 · 1978
Disbursements in Millions of Dollars
300
250
200
150
100
50
1981
1980
1979
1978
Operating Expenditures
Personal Services
Transfers
Benefits and Claims
Local Assistance
Grants
Capital Outlay
Equipment
Debt Services

All Funds

Comparative Schedule of Disbursements by Category and Object
For the Fiscal Years Ended June 30, 1981 and June 30, 1980

	1981 Fiscal Year		1980 Fiscal Year		1981 Over (Under) 1980		
	Disbursements	% of Total	Disbursements	% of Total	Difference	% Difference	% of Total
Personal Services							
Salaries and Wages	$242,579,489	17.81	$220,506,739	18.17	$ 22,072,750	10.01	14.93
Employee Benefits	44,553,107	3.27	38,511,168	3.17	6,041,939	15.69	4.09
Total Personal Services	287,132,596	21.08	259,017,907	21.34	28,114,689	10.85	19.02
Operating Expenses							
Contracted Services	161,459,164	11.86	151,712,505	12.50	9,746,659	6.42	6.59
Supplies and Materials	27,389,814	2.01	24,742,875	2.04	2,646,939	10.70	1.79
Communications	11,864,772	.87	10,495,840	.86	1,368,932	13.04	.93
Travel	12,738,315	.94	12,594,773	1.04	143,542	1.14	.10
Rent	15,154,488	1.11	14,956,981	1.23	197,507	1.32	.13
Utilities	9,697,071	.71	8,230,350	.68	1,466,721	17.82	.99
Repairs and Maintenance	16,052,529	1.18	15,035,829	1.24	1,016,700	6.76	.69
Other	49,121,416	3.61	56,075,346	4.62	(6,953,930)	(12.40)	(4.70)
Total Operating Expenses	303,477,569	22.29	293,844,499	24.21	9,633,070	3.28	6.52
Equipment	14,402,291	1.06	12,468,187	1.03	1,934,104	15.51	1.31
Capital Outlay							
Land	4,284,243	.32	8,006,506	.66	(3,722,263)	(46.49)	(2.52)
Buildings	25,342,401	1.86	18,610,287	1.53	6,732,114	36.17	4.55
Other Improvements	852,985	.06	1,555,820	.13	(702,835)	(45.17)	(.48)
Total Capital Outlay	30,479,629	2.24	28,172,613	2.32	2,307,016	8.19	1.55
Local Assistance							
State Sources	143,956,742	10.57	139,797,534	11.52	4,159,208	2.98	2.81
Federal Sources	7,734,970	.57	9,460,390	.78	(1,725,420)	(18.24)	(1.17)
Other Sources	76,937	-	73,223	.01	3,714	5.07	-
Total Local Assistance	151,768,649	11.14	149,331,147	12.31	2,437,502	1.63	1.64
Grants							
State Sources	28,720,251	2.11	28,410,131	2.34	310,120	1.09	.21
Federal Sources	87,886,531	6.45	83,458,673	6.87	4,427,858	.53	3.00
Other Sources	1,897,620	.14	2,296,374	.19	(398,754)	(17.36)	(.27)
Total Grants	118,504,402	8.70	114,165,178	9.40	4,339,224	3.80	2.94
Benefits and Claims							
To Individuals	60,872,880	4.47	54,971,275	4.53	5,901,605	10.74	3.99
State Sources	50,750,231	3.73	40,878,913	3.37	9,871,318	24.15	6.68
Federal Sources	59,659,629	4.38	44,083,680	3.62	15,575,949	35.33	10.54
Other Sources	45,378,657	3.33	36,469,251	3.00	8,909,406	24.43	6.03
Total Benefits & Claims	216,661,397	15.41	176,403,119	14.52	40,258,278	22.82	27.24
Transfers	229,439,766	16.85	170,117,562	14.01	59,322,204	34.87	40.13
Debt Service	9,903,944	.73	10,416,659	.86	(512,715)	(4.92)	(.35)
TOTAL DISBURSEMENTS	$1,361,770,243	100.00	$1,213,936,871	100.00	$147,833,372	12.18	100.00
Expenditures	$954,668,250	70.10	$870,234,110	71.69	$ 84,434,140	9.70	57.11
Withdrawals	$407,101,993	29.90	$343,702,761	28.31	$ 63,399,232	18.46	42.89

STATE OF MONTANA

General Fund

Comparative Schedule of Disbursements by Category and Object
For the Fiscal Years Ended June 30, 1981 and June 30, 1980

	1981 Fiscal Year		1980 Fiscal Year		1981 Over(Under) 1980		
	Disbursements	% of Total	Disbursements	% of Total	Difference	% Difference	% of Total
Personal Services							
Salaries and Wages	$ 61,763,135	23.35	$ 55,055,710	23.12	$ 6,707,425	12.18	25.42
Employee Benefits	12,791,286	4.84	10,676,565	4.48	2,114,721	19.81	8.02
Total Personal Services	74,554,421	28.19	65,732,275	27.60	8,822,146	13.42	33.44
Operating Expenses							
Contracted Services	7,274,596	2.75	8,570,671	3.60	(1,296,075)	(15.12)	(4.91)
Supplies and Materials	4,500,020	1.70	4,131,765	1.73	368,255	8.91	1.40
Communications	1,918,357	.73	1,734,651	.73	183,706	10.59	.70
Travel	2,121,037	.80	2,033,563	.85	87,474	4.30	.33
Rent	1,882,678	.71	1,717,543	.72	165,135	9.61	.63
Utilities	2,336,214	.88	2,050,124	.86	286,090	13.95	1.08
Repairs & Maintenance	851,827	.32	775,526	.33	76,301	9.84	.29
Other	1,065,998	.40	716,687	.30	349,311	48.74	1.32
Total Operating Expenses	21,950,727	8.29	21,730,530	9.12	220,197	1.01	.84
Equipment	843,740	.32	1,089,552	.46	(245,812)	(22.56)	(.93)
Capital Outlay							
Land							
Buildings							
Other Improvements			53,694	.02	(53,694)	(100.00)	(.20)
Total Capital Outlay			53,694	.02	(53,694)	(100.00)	(.20)
Local Assistance							
State Sources	50,010,323	18.88	46,242,045	19.41	3,768,278	8.15	14.28
Federal Sources							
Other Sources							
Total Local Assistance	50,010,323	18.88	46,242,045	19.41	3,768,278	8.15	14.28
Grants							
State Sources	9,559,030	3.61	9,063,896	3.81	495,134	5.46	1.87
Federal Sources	185,991	.07	206,004	.09	(20,013)	(9.71)	(.08)
Other Sources	210,019	.08	310,857	.13	(100,838)	(32.44)	(.38)
Total Grants	9,955,040	3.76	9,580,757	4.03	374,283	3.91	1.41
Benefits and Claims							
To Individuals	13,174,886	4.98	11,599,006	4.87	1,575,880	13.59	5.96
State Sources	39,198,735,	14.82	33,232,897	13.96	5,965,838	17.95	22.62
Federal Sources							
Other Sources							
Total Benefits & Claims	52,373,621	19.80	44,831,903	18.83	7,541,718	16.82	28.58
Transfers	52,569,807	19.89	46,855,643	19.67	5,714,164	12.20	21.66
Debt Service	2,293,890	.87	2,051,540	.86	242,350	11.81	.92
TOTAL DISBURSEMENTS	$264,551,569	100.00	$238,167,939	100.00	$ 26,383,630	11.08	100.00
Expenditures	$213,189,131	80.59	$191,956,409	80.60	$ 21,232,722	11.06	80.48
Withdrawals	$ 51,362,438	19.41	$ 46,211,530	19.40	$ 5,150,908	11.15	19.52

STATE OF MONTANA

All Funds

Schedule of Disbursements by Organizational Unit
For Fiscal Year Ended June 30, 1981

BRANCH Principal Units	Total All Funds		
	Disbursements	Expenditures	Withdrawals
LEGISLATIVE	$ 6,643,143	$ 6,572,033	$ 71,110
JUDICIAL	2,729,166	2,729,166	
EXECUTIVE			
Elected Officials:			
Auditor	13,562,030	5,950,734	7,611,296
Governor's Office	2,761,665	2,632,744	128,921
Secretary of State	804,060	804,060	
Supt of Public Instruction	178,219,326	175,355,490	2,863,836
Department of:			
Administration:			
Construction	23,081,706	20,802,277	2,279,429
Other	102,419,399	19,359,458	83,059,941
Agriculture	4,853,796	3,061,727	1,792,069
Business Regulation	1,323,774	1,323,774	
Community Affairs	30,608,789	7,961,273	22,647,516
Education:			
University System	225,380,049	120,248,807	105,131,242
Other	5,589,515	5,455,823	133,692
Fish, Wildlife & Parks	18,459,989	16,984,886	1,475,103
Health & Environmental Sciences	18,785,471	18,623,981	161,490
Highways	202,239,453	189,365,422	12,874,031
Institutions	54,210,773	52,748,705	1,462,068
Justice	15,264,845	15,216,165	48,680
Labor & Industry	129,385,280	83,019,316	46,365,964
Livestock	3,368,112	3,288,112	80,000
Military Affairs	3,969,736	1,596,676	2,373,060
Natural Resources & Conservation	15,795,587	15,524,404	271,183
Prof. & Occupational Licensing	1,079,248	1,079,248	
Public Service Regulation	1,316,545	1,316,545	
Revenue	88,963,922	34,790,779	54,173,143
Social & Rehabilitation Services	143,709,666	143,652,658	57,008
State Lands	67,245,198	5,203,987	62,041,211
TOTALS	$1,361,770,243	$954,668,250	$407,101,993

General Fund		University Funds		Other Funds	
Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
$ 6,135,137	$	$	$	$ 436,896	$ 71,110
2,660,736				68,430	
1,338,723				4,612,011	7,611,296
2,001,319				631,425	128,921
774,963				29,097	
51,616,224				123,739,266	2,863,836
				20,802,277	2,279,429
7,555,176				11,804,282	83,059,941
782,556				2,279,171	1,792,069
1,068,673				255,101	
1,758,694				6,202,579	22,647,516
5,281,149	51,362,438	113,933,848	42,969,273	1,033,810	10,799,531
2,656,444				2,799,379	133,692
541,502				16,443,384	1,475,103
2,849,288				15,774,693	161,490
				189,365,422	12,874,031
45,242,589				7,506,116	1,462,068
2,148,246				13,067,919	48,680
1,588,495				81,430,821	46,365,964
530,871				2,757,241	80,000
953,892				642,784	2,373,060
5,936,308				9,588,096	271,183
				1,079,248	
1,177,302				139,243	
21,245,781				13,544,998	54,173,143
46,119,703				97,532,955	57,008
1,225,360				3,978,627	62,041,211
$213,189,131	$ 51,362,438	$113,933,848	$ 42,969,273	$627,545,271	$312,770,282

STATE OF MONTANA

University Funds

Schedule of Disbursements by Organizational Unit
For the Year Ended June 30, 1981

	Total University Funds		Current Fund					
			Unrestricted (Operating)		Restricted		Designated		Auxiliaries	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
University of Montana	$ 34,897,762	$ 14,207,514	$ 24,232,582	$	$ 5,969,144	$ 408,686	$ 4,631,287	$ 419,023	$	$ 10,613,670
Montana State University	40,580,031	17,543,325	28,849,685		11,408,433		321,913	4,501,207		8,127,386
Montana College of Mineral Science and Technology	8,491,625	1,368,921	5,695,981		2,539,898	118,729		355,829		826,263
Eastern Montana College	11,590,856	5,765,842	8,805,833		1,920,342	13,847	261,210	1,308,814		3,100,921
Northern Montana College	4,591,320	1,987,678	4,039,724		386,285	84,165		574,047		1,311,249
Western Montana College	3,091,453	1,233,778	2,423,436		301,109	15,115	116,501			1,018,889
Agricultural Experiment Station	6,879,446	430,626	6,797,122		82,324			173,824		
Cooperative Extension Service	3,449,696	431,589	2,687,084		762,612			431,589		
Forestry Experiment Station	284,673		284,673							
Commissioner of Higher Education	76,986									
TOTALS	$113,933,848	$ 42,969,273	$ 83,816,120	$	$ 23,370,147	$ 640,542	$ 5,330,911	$ 7,764,333	$	$ 24,998,378

STATE OF MONTANA

University Funds

Schedule of Disbursements by Organizational Unit

For the Year Ended June 30, 1981

	Student Loan Fund		Plant Fund					
			Unexpended		Renewal & Replacement		Debt Service	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
University of Montana	$ 64,749	$	$	$ 154,464	$	$ 83,810	$	$ 2,527,861
Montana State University		124,425		2,864,002		477,066		1,449,239
Montana College of Mineral Science and Technology		2,100	44,298				211,448	66,000
Eastern Montana College		66,411	193,030	1,275,849	90,448		319,993	
Northern Montana College		18,217					165,311	
Western Montana College		5,399	202,006				48,401	194,375
Agricultural Experiment Station				247,090		9,712		
Cooperative Extension Service								
Forestry Experiment Station								
Commissioner of Higher Education	76,986							
TOTALS	$ 141,735	$ 216,552	$ 439,334	$ 4,541,405	$ 90,448	$ 570,588	$ 745,153	$ 4,237,475

STATE OF MONTANA

Other Funds

Schedule of Disbursements by Organizational Unit
For the Year Ended June 30, 1981

BRANCH Principal Units	Total All Funds		Earmarked Revenue Fund		Sinking Fund		Federal & Private Revenue Fund		Federal & Private Grant Clearance Fund	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
LEGISLATIVE	$ 436,896	$ 71,110	$ 429,772	$	$	$	$ 3,574	$	$	$
JUDICIAL	68,430						68,430			
EXECUTIVE										
Elected Officials:										
Auditor	4,612,011	7,611,296	4,612,011							7,584,827
Governor's Office	631,425	128,921					443,312	37,150	188,113	91,771
Secretary of State	29,097									
Supt of Public Instruction	123,739,266	2,863,836	91,468,253	1,387,414			7,011,810	1,462,527	24,612,098	
Department of:										
Administration										
Construction	20,802,277	2,279,429	2,257,460				1,266,086			
Other	11,804,282	83,059,941	8,386,327	206,762	3,037,215	28,581,990	260,434	33,921		
Agriculture	2,279,171	1,792,069	619,863				1,659,308			46,715
Business Regulation	255,101		255,101							
Community Affairs	6,202,579	22,647,516	3,129,999				2,670,709	29,392		21,898,183
Education:										
University System	1,033,810	10,799,531	621,303	10,393,944			412,387	93,483	120	182,104
Other	2,799,379	133,692	435,465				1,383,191		597,672	133,692
Fish, Wildlife & Parks	16,443,384	1,475,103	9,978,777	174,996			5,138,144		1,325,400	
Health & Environmental Sciences	15,774,693	161,490	1,241,114				14,258,310		239,069	3,330
Highways	189,365,422	12,874,031	67,644,398	350,000	759,599		120,961,425	654,713		
Institutions	7,506,116	1,462,068	3,700,886				3,727,637	376,488		
Justice	13,067,919	48,680	11,146,848				1,028,146		519,789	43,982
Labor & Industry	81,430,821	46,365,964	3,777,999		176,270		15,585,181		8,440,691	18,534,112
Livestock	2,757,241	80,000	2,708,721	80,000			48,520			
Military Affairs	642,784	2,373,060					642,784			2,373,060
Natural Resources	9,588,096	271,183	5,442,231	27,982		2,546	3,807,090			127,885
Prof. & Occupational Licensing	1,079,248		1,079,248							
Public Service Regulation	139,243						139,243			
Revenue	13,544,998	54,173,143	569,246	1,218,384			821,142		4,521,660	4,227,261
Social & Rehabilitation Serv.	97,532,955	57,008					14,524,997		76,611,416	57,008
State Lands	3,978,627	62,041,211	423,204				975,036		2,560,387	50,459,586
TOTALS	$627,545,271	$312,770,282	$219,928,226	$ 13,839,482	$ 3,973,084	$ 28,584,536	$196,836,896	$ 2,687,674	$119,616,415	$105,763,516

STATE OF MONTANA

Other Funds

Schedule of Disbursements by Organizational Unit
For the Year Ended June 30, 1981

BRANCH Principal Units	Bond Proceeds and Insurance Clearing Fund		Revolving Fund		Trust & Legacy		Agency Fund	
	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals	Expenditures	Withdrawals
LEGISLATIVE	$ 3,550	$	$	$ 71,110	$	$	$	$
JUDICIAL								
EXECUTIVE								
Elected Officials:								
Auditor				26,469				
Governor's Office								
Secretary of State			29,097					
Supt of Public Instruction			644,805	13,895			2,300	
Department of:								
Administration								
Construction	17,039,596		239,135	2,279,429				
Other		722,225	120,306	15,505,001				37,950,042
Agriculture								1,745,354
Business Regulation								
Community Affairs			401,871	719,941				
Education:								
University System		130,000						
Other			382,711				340	
Fish, Wildlife & Parks	1,063			1,300,107				
Health	36,200			158,160				
Highways				11,826,004				43,314
Institutions	25,030		43,023	1,085,580			9,540	
Justice			373,136					4,698
Labor & Industry				392,192			53,450,680	27,439,660
Livestock								
Military Affairs								
Natural Resources	338,775	112,770						
Prof. & Occupational Licensing								
Public Service Regulation								
Revenue			7,632,950	47,867,310		268		859,920
Social & Rehabilitation Serv.			6,191,580				204,962	
State Lands	20,000					11,581,625		
TOTALS	$ 17,464,214	$ 964,995	$ 16,058,614	$ 81,305,198	$	$ 11,581,893	$ 53,667,822	$ 68,042,988

STATE OF MONTANA

All Funds

Comparative Schedule of Disbursements by Organizational Unit
For the Fiscal Years Ended June 30, 1981 and June 30, 1980

	1981 Fiscal Year		1980 Fiscal Year		1981 Over (Under) 1980		
	Disbursements	% of Total	Disbursements	% of Total	Difference	% Difference	% of Total
LEGISLATIVE	$ 6,643,143	.49	$ 4,175,635	.34	$ 2,467,508	59.09	1.67
JUDICIAL	2,729,166	.20	2,459,132	.20	270,034	10.98	.18
EXECUTIVE							
Elected Officials:							
Auditor	13,562,030	.99	14,213,999	1.17	(651,969)	(4.59)	(.44)
Governor's Office	2,761,365	.20	2,807,021	.23	(45,356)	(1.62)	(.03)
Secretary of State	804,060	.06	679,195	.06	124,865	18.38	.09
Supt of Public Instruction	178,219,326	13.09	170,027,534	13.98	8,191,792	4.82	5.54
Department of:							
Administration:							
Construction	23,081,706	1.70	16,932,325	1.39	6,149,381	36.32	4.16
Other	102,419,399	7.52	78,703,890	6.64	23,715,509	30.13	16.04
Agriculture	4,853,796	.36	3,394,609	.28	1,459,187	42.99	.99
Business Regulation	1,323,774	.09	1,397,236	.12	(73,462)	(5.26)	(.05)
Community Affairs	30,608,789	2.25	29,089,905	2.39	1,518,884	5.22	1.03
Education:							
University System	225,380,049	16.55	201,749,566	16.59	23,630,483	11.71	15.98
Other	5,589,515	.41	5,520,401	.46	69,114	1.25	.05
Fish, Wildlife & Parks	18,459,989	1.36	20,227,737	1.66	(1,767,748)	(8.74)	(1.20)
Health & Environ. Science	18,785,471	1.38	17,770,713	1.46	1,014,758	5.71	.69
Highways	202,239,453	14.85	203,736,623	16.76	(1,497,170)	(.73)	(1.01)
Institutions	54,210,773	3.98	50,133,444	4.12	4,077,329	8.13	2.76
Justice	15,264,845	1.12	16,086,095	1.32	(821,250)	(5.11)	(.56)
Labor & Industry	129,385,280	9.50	113,101,999	9.30	16,283,281	14.40	11.01
Livestock	3,368,112	.25	3,077,829	.25	290,283	9.43	.20
Military Affairs	3,969,736	.29	3,517,606	.29	452,130	12.85	.31
Natural Resources & Conserv	15,795,587	1.16	15,692,781	1.29	102,806	.66	.07
Prof. & Occup. Licensing	1,079,248	.08	1,057,251	.09	21,997	2.08	.01
Public Service Regulation	1,316,545	.10	1,037,906	.09	278,639	26.85	.19
Revenue	88,963,922	6.53	84,412,552	6.94	4,551,370	5.39	3.08
Social & Rehab Services	143,709,666	10.55	121,706,972	10.01	22,002,694	18.08	14.88
State Lands	67,245,198	4.94	31,226,915	2.57	36,018,283	115.34	24.36
TOTAL DISBURSEMENTS	$1,361,770,243	100.00	$1,213,936,871	100.00	$147,833,372	12.18	100.00
Expenditures	$954,868,250	70.11	$870,234,110	71.69	$ 84,434,140	9.70	57.11
Withdrawals	$407,101,993	29.89	$343,702,761	28.31	$ 63,399,232	18.45	42.89

STATE OF MONTANA

General Fund

Comparative Schedule of Disbursements by Organizational Unit
For the Fiscal Years Ended June 30, 1981 and June 30, 1980

	1981 Fiscal Year		1980 Fiscal Year		1981 Over (Under) 1980		
	Disbursements	% of Total	Disbursements	% of Total	Difference	% Difference	% of Total
LEGISLATIVE	$ 6,135,137	2.32	$ 3,496,936	1.47	$ 2,638,201	75.44	10.00
JUDICIAL	2,660,736	1.01	2,366,736	.99	294,000	12.42	1.12
EXECUTIVE							
Elected Officials:							
Auditor	1,338,723	.51	1,363,814	.57	(25,091)	(1.84)	(.10)
Governor's Office	2,001,319	.76	1,864,556	.78	136,763	7.33	.52
Secretary of State	774,963	.29	679,195	.29	95,768	14.10	.36
Supt of Public Instruction	51,616,224	19.51	48,371,465	20.31	3,244,759	6.71	12.30
Department of:							
Administration:							
Construction			265,000	.11	(265,000)	(100.00)	(1.00)
Other	7,555,176	2.86	6,385,676	2.68	1,169,500	18.31	4.43
Agriculture	782,556	.30	780,718	.33	1,838	.24	-
Business Regulation	1,068,673	.40	973,356	.41	95,317	9.79	.36
Community Affairs	1,758,694	.66	1,363,196	.57	395,498	29.01	1.50
Education:							
University System	56,643,587	21.41	50,810,754	21.33	5,832,833	11.48	22.11
Other	2,656,444	1.00	2,197,282	.92	459,162	20.90	1.74
Fish, Wildlife & Parks	541,502	.21	515,485	.21	26,017	5.05	.10
Health & Environ Sciences	2,849,288	1.08	2,669,126	1.12	180,162	6.75	.68
Highways							
Institutions	45,242,589	17.10	41,598,279	17.47	3,644,310	8.76	13.82
Justice	2,148,246	.81	1,867,808	.79	280,438	15.01	1.06
Labor & Industry	1,538,495	.60	1,553,069	.65	35,426	2.28	.13
Livestock	530,871	.20	466,330	.20	64,541	13.84	.25
Military Affairs	953,892	.36	789,504	.33	164,388	20.82	.62
Natural Resources & Conserv	5,936,308	2.24	6,557,046	2.75	(620,738)	(9.47)	(2.35)
Prof. & Occup. Licensing							
Public Service Regulation	1,177,302	.45	965,479	.41	211,823	21.94	.80
Revenue	21,245,781	8.03	20,460,428	8.60	785,353	3.84	2.98
Social & Reheb Services	46,119,703	17.43	38,610,480	16.21	7,509,223	19.45	28.46
State Lands	1,225,360	.46	1,196,221	.50	29,139	2.44	.11
TOTAL DISBURSEMENTS	$264,551,569	100.00	$238,167,939	100.00	$ 26,383,630	11.08	100.00
Expenditures	$213,189,131	80.59	$191,956,409	80.60	$ 21,232,722	11.06	80.98
Withdrawals	$ 51,362,438	19.41	$ 46,211,530	19.40	$ 5,150,908	11.15	19.52

TREASURER'S ACCOUNT

The State Treasurer serves as the central bank for all State agencies and the accounting entities administered by them. The financial transactions relating to the Treasurer's central banking function are recorded in a separate accounting entity known as the Treasurer's Cash Accountability Account.

In operating the State Treasury System, agencies have two options: (a) deposit directly with the State Treasurer, or (b) deposit in an approved commercial depository to the credit of the State Treasurer. In either case, all money deposited with the State Treasurer finds its way first into a commercial demand bank account secured by collateral deposits. (As required by law, unemployment insurance collections flow through the State's account with the United States Treasurer. See "Cash With U.S. Treasury" on the next page.)

As a matter of information, about 99% of the financial transactions recorded in the Treasurer's Cash Accountability Account are made automatically through utilization of computer programs. To explain the process very briefly, whenever an agency submits a transaction which either increases or decreases the cash in treasury for a particular accounting entity, a computer program is triggered which causes a given paralleling entry to be made in the Treasurer's records. The summation of these entries produces one General Ledger which provides subsidiary ledgers and grand total amounts for cash in demand accounts, cash in treasury, outstanding warrants, investments of general treasury cash,* and others.

To the maximum extent possible, money held by the Treasurer is invested. As far as general treasury cash* is concerned there is, of course, no need or attempt made to determine whose money is being invested. All interest earned on general treasury cash is credited to the General Fund Account. (Some money is invested specifically in behalf of an accounting entity or other than the General Fund Accounts as permitted by statutory law. These investments are recorded in the specific accounting entities.)

As with most States, the initial disbursement of funds is made by warrant which, in essence, is a sight draft on the State Treasurer. The total of warrants not yet presented to the State Treasurer for payment is identified as "Accountability for Outstanding Warrants".

* General Treasury Cash is defined as a combination of the "float" created in the daily operations of the total treasury function and the General Fund surplus (created by the excess of receipts over disbursements in prior years).

TREASURER'S CASH ACCOUNTABILITY ACCOUNT

Statement of Cash Position

For Fiscal Year Ended June 30, 1981

RESOURCES:		
Cash:		$ 13,212,579
Investments:		
STIP Units at Cost	$136,405,292	
Other Investments at Cost	111,097,958	
Cash With U.S. Treasury	19,116,700	
TOTAL INVESTMENTS		279,832,529
Other Resources:		
Purchased Bonds and Coupon Clearing		1,438,320
TOTAL RESOURCES		$281,270,849
ACCOUNTABILITY:		
Accountability for Cash in Treasury		$264,722,711
Accountability for Outstanding Warrants		16,548,138
TOTAL ACCOUNTABILITY		$281,270,849

STATISTICAL SECTION

Table		Page
1A	Assessed and Taxable Value of Taxable Property	47
1B	Analysis of Taxable Valuation	48
2	Property Tax Rates	49
3	Debt Ratios	50
4	Ratio of Annual Debt Service to General Expenditures	51
5	Analysis of Outstanding Debt by Range of Interest Rate	52
6	Employment Data	53
7	Income Data	54
8	Discrete Entities-Revenue Bonds	55

Table 1A
Assessed and Taxable Value of Taxable Property

Property Values Property within Montana must be assessed at 100% of its market value except mining property and agricultural lands. However, the methods used to establish assessed value are estimated to produce an assessed value equal to approximately 44% and 52% of the actual market value of residential and commercial estate property, respectively. Residential and commercial property represents approximately $5.3 billion of total assessed valuation for 1980. Agricultural lands are assessed on the basis of productive capacity and mines are valued in terms of net and gross proceeds from mineral production.

Property Values

Fiscal Year Ended June 30,	Assessed Value (1)	Taxable Value (2)
1971	$ 3,293,711,990	$ 965,708,451
1972	3,453,025,204	995,099,126
1973	3,672,131,456	1,061,621,651
1974	4,004,125,066	1,198,510,071
1975	4,376,822,527	1,351,740,919
1976	4,778,405,162	1,391,935,128
1977	5,105,825,522	1,466,743,754
1978	13,103,720,390	1,568,285,437
1979	13,741,816,793	1,621,951,970
1980	15,128,059,224	1,845,008,937

(1) Assessed value was changed from varying percentages of market value to market value in 1978. The taxable percentages were adjusted accordingly.

(2) Taxable valuation is the value against which the mill rate is applied and is arrived at by applying to the assessed value appropriate ratios found in Montana's Classification Act (for example, the taxable value of residential property is 30% of assessed).

Source: Official Statement State of Montana
September 9, 1981

Table 1B
Analysis of Taxable Valuation 1971-1980

	Agricultural Land		All Other Real Property *		Livestock		Personal Property (Exc. Livestock) *		Utilities *		Net Proceeds (1)		Total
	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value	% of Total	Taxable Value
1971.....	107,256,631	11.10	329,208,116	35.11	64,448,106	6.67	227,995,556	23.64	149,933,967	15.52	76,866,075	7.96	965,708,451
1972.....	110,540,667	11.11	352,091,172	35.38	68,554,060	6.89	246,633,620	24.78	152,485,274	15.33	64,794,333	6.51	995,099,126
1973.....	113,353,834	10.68	371,669,111	35.01	83,821,904	7.89	267,864,965	25.23	155,307,813	14.63	69,604,224	6.56	1,061,621,851
1974.....	114,788,164	9.58	405,168,914	33.81	110,034,081	9.18	289,259,197	24.13	163,083,172	13.61	116,146,543	9.69	1,198,510,071
1975.....	116,071,663	8.59	435,614,953	32.25	79,028,021	5.85	336,382,289	24.90	159,702,076	11.82	223,975,328	16.58	1,350,774,330
1976.....	114,823,879	8.25	453,666,664	32.59	66,003,878	4.74	341,472,848	24.53	171,762,257	12.34	244,205,602	17.54	1,391,935,128
1977.....	115,099,683	7.85	483,901,703	32.99	72,460,827	4.94	346,854,736	23.65	182,244,963	12.42	266,181,793	18.15	1,466,674,705
1978.....	139,424,857	8.89	531,792,142	33.91	43,769,134	2.79	392,151,466	25.01	184,303,839	11.75	276,843,999	17.65	1,568,285,437
1979.....	139,017,359	8.57	547,192,323	33.74	60,903,474	3.75	407,530,698	25.13	185,902,241	11.46	281,405,885	17.35	1,621,951,970
1980.....	139,797,414	7.58	578,474,345	31.35	83,900,401	4.55	425,114,755	23.04	210,342,917	11.40	407,379,105	22.08	1,845,008,937

* Utilities includes department allocations and real and personal property of utilities after 1936. Before 1936 utilities includes only department allocations with real and person property containing utility properties.

1 Net proceeds include gross proceeds from 1976 on.

Source: Report of the Department of Revenue
July 1, 1978 - June 30, 1980

Table 2
Property Tax Rates

The property tax levy was developed to provide a nondiscriminatory method of financing public education in the State.

Property Tax Mill Levy (1)

Levy Year		
1981	5.65	mills
1980	7.0	mills
1979	9.2	mills
1978	6.99	mills
1977	7.6	mills
1976	9.5	mills
1975	6.0	mills
1974	21.0	mills
1973	6.0	mills
1972	6.1	mills

(1) A mill is a monetary unit used in calculating and represents one thousandth of a dollar. The amount needed for property taxes for the year (net levy) is divided by the % deemed collectible. This gross levy is then divided by the net assessed valuation (See Table 1A) to arrive at the mill rate. (For example, 1980's 7.0 mills would represent a rate of .0007.)

Table 3
Debt Ratios 1972-1981

	Direct State Debt (1)	Per Capita (2)	Ratio to Assessed Value (3)
1981	$ 39,917,875	$50.74	.26%
1980	42,079,393	53.49	.28%
1979	26,137,652	33.25	.19%
1978	26,883,259	34.47	.21%
1977	29,931,787	39.08	.59%
1976	32,593,756	43.17	.68%
1975 (4)	26,891,655	36.05	.61%
1974	30,001,930	40.71	.75%
1973	32,825,000	44.97	.89%
1972	34,821,000	48.50	1.01%

(1) includes general obligation and Long Range Building Plan bonds.

(2) populations:

1981: 786,690 *
1980: 786,690
1979: 786,000
1978: 780,000
1977: 766,000
1976: 755,000
1975: 746,000
1974: 737,000
1973: 730,000 **
1972: 720,000 **

*based on 1980 census
**estimated amounts

(3) see Table 1A for assessed value

(4) The State's liability for bonded debt was not recorded in SBAS in 1975 or prior years. Information was obtained from State Treasurer's records. As of June 30, 1975, 1974 and 1973, the State's general obligation debt was zero.

Table 4
Ratio of Annual Debt Service to
Total General Expenditures 1972-1981

	Debt Service	General Expenditure	% of Total
1981	$ 9,903,944	$1,361,770,243	.73%
1980	10,416,659	1,213,936,871	.86%
1979	8,223,311	1,102,966,966	.75%
1978	8,940,925	1,051,144,098	.85%
1977	7,946,862	1,004,171,727	.79%
1976	8,156,774	812,058,862	1.00%
1975	7,289,065	631,284,726	1.15%
1974	10,035,096	539,903,137	1.86%
1973	9,990,399	502,660,229	1.99%
1972 (1)	7,732,562	426,664,280	1.90%

(1) 1972's information was not produced by SBAS

Source: Montana State Financial Reports 1972-1981

Table 5
Analysis of Outstanding Debt by Range of Interest Rate
June 30, 1981

Range of Interest [1]	Outstanding Debt	% of Total Outstanding Debt
0.00% to 2.00%	$ 490,000	.59
2.01% to 3.00%	6,863,000	8.31
3.01% to 4.00%	28,579,000	34.60
4.01% to 5.00%	12,426,500	15.04
5.01% to 6.00%	11,348,000	13.74
6.01% to 7.00%	8,540,000	10.34
7.01% to 8.00%	9,912,875	12.00
8.01% to 9.00%	4,445,000	5.38
TOTAL OUTSTANDING DEBT June 30, 1981	$82,604,375 [2]	100.00

[1] Considers face value coupon rates. Does not consider interest subsidies.

[2] Does not include Board of Housing Bonds or Lease Purchase Agreement with Department of Social and Rehabilitation Services.

Table 6
Employment Data

	Civilian Labor Force	Seasonally Adjusted (1) Annual Averages Employment	Unemployment	Rates
1972.....	291,152	277,270	13,882	4.8
1973.....	303,186	288,667	14,619	4.8
1974.....	318,602	301,878	16,724	5.2
1975.....	322,575	301,961	20,614	6.4
1976.....	332,000	312,000	20,000	6.1
1977.....	345,000	323,000	22,000	6.4
1978.....	368,000	346,000	22,000	6.0
1979.....	370,000	351,000	19,000	5.1
1980.....	374,000	352,000	22,000	6.0
1981				
January ..	375,512	354,087	21,425	5.7
February..	382,048	358,530	23,518	6.2
March....	384,825	362,139	22,686	5.9
April.....	389,474	366,456	23,018	5.9
May ...	389,117	364,442	24,675	6.3
(2) June.....	388,645	363,099	25,546	6.6

(1) Seasonally adjusted data are provided for statistical analysis only and should not be confused with actual numbers.

(2) Preliminary figures.

Source: United States Department of Labor.
Montana Department of Labor and
Industry, Employment Security Division.

Table 7
Income Data

Total Personal Income *
(Millions)

	Montana		Rocky Mountain Region		United States	
	Amount	% Increase	Amount	% Increase	Amount	% Increase
1972....	$ 2,885		$ 23,333		$ 935,463	
1973....	3,422	18.6%	25,795	10.5%	1,045,303	11.7%
1974....	3,670	7.2	28,817	11.7	1.147,257	9.7
1975....	4,019	9.5	31,714	10.0	1,248,631	8.8
1976....	4,216	4.9	35,062	10.6	1,374,189	10.0
1977....	4,585	8.7	39,353	12.2	1,522,766	10.8
1978....	5,425	18.3	45,606	15.9	1,709,616	12.3
1979....	6,040	11.3	52,429	14.9	1,930,782	12.9
1980....	6,619**	9.6**	58,954**	12.4**	2,133,827**	10.5**
Compound Annual Rate of Growth		11.0%		12.2%		10.8%

Per Capita Income *

	Montana		Rocky Mountain Region		United States	
	Amount	% Increase	Amount	% Increase	Amount	% Increase
1972....	$ 4,013		$ 4,187		$ 4,493	
1973....	4,760	18.6%	4,734	13.1%	4,980	10.8%
1974....	4,976	4.5	5,153	8.8	5,428	9.0
1975....	5,381	8.1	5,580	8.3	5,861	8.0
1976....	5,583	3.7	6.066	8.6	6,401	9.2
1977....	5,988	7.2	6,645	9.7	7.038	10.0
1978....	6,915	15.5	7.521	13.2	7,840	11.4
1979....	7,684	11.1	8,357	11.2	8,773	11.7
1980....	8,445**	9.9**	9,015**	7.9**	9,458**	7.8**

* All figures (except for those of 1978) are adjusted and expressed in terms of 1977 dollars.

** Preliminary figures.

Source: United States Department of Commerce

Table 8
Discrete Entities-Revenue Bonds
June 30, 1981

The following table shows all indebtedness issued by the Montana University System and the Board of Housing which is payable solely from specified revenues which are pledged to payment of the bonds. None of such revenues are deposited in the General Fund. These bonds do not create an obligation of or a charge against the State and neither the faith and credit nor the taxing power of the State is pledged to the payment of these bonds.

Board of Regents Revenue Bonds (1)

University of Montana (Missoula)	$15,495,000
Montana State University (Bozeman)	17,797,000
Eastern Montana College (Billings)	3,901,000
Northern Montana College (Havre)	2,948,000
Western Montana College (Dillon)	1,384,000
Montana College of Mineral Science and Technology (Butte)	1,152,000
Total	$42,677,000

Board of Housing Revenue Bonds and Notes (2)

Single Family Mortgage Bonds due 1980-2011	$215,465,000
Multi Family Mortgage Bonds due 1980-2021	13,470,000
Construction Loan Notes due April 24, 1982	8,940,000
Total	$237,875,000

(1) The Montana Board of Regents may, without further legislative action, authorize the construction of revenue-producing facilities and issue bonds to finance such facilities. Such bonds are payable from revenues of the facilities at the issuing institutions received from dormitory rentals, food service user charges, federal grants including land grant income and student fees.

(2) Bonds issued by the Board of Housing are payable from mortgage loan repayments and investment income. The bonds issued to date are secured by federally insured or guaranteed mortgages and no provision has been made for possible future appropriations by the legislature to cure deficiencies. The Board of Housing is authorized to have an aggregate of $675,000,000 of bonds and notes outstanding.

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